

**Assessment of the perception and understanding of the
performance management system at the Department of Planning,
Monitoring and Evaluation (DPME)**

by

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Declaration

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Abstract

Using state assets in an effective, efficient and economical way in order to provide quality services to the community is key in the public sector. In order to manage performance in the public sector, a framework to monitor, review and assess performance was introduced so as to achieve the core mandate of the public sector. As such, Performance Management Systems are regarded as an integrated system and a continuous process to measure the performance of the institution and that of its personnel.

The purpose of this study was to assess perceptions of the employees and to gain an understanding of the effectiveness of the performance management system (PMS) at the Department of Planning, Monitoring and Evaluation in office of The Presidency in relation to employee performance. The focus was to establish whether the processes were effective in encouraging individual performance. Both quantitative and qualitative methods were used for this study.

Findings deduced from the study revealed that though the PMS is well understood and implemented in the department, there are, however, major concerns and dissatisfaction with regard to the ability and competency of managers to play the role of mentoring and coaching in the implementation of PMS in the department, as these contribute in developing sub-optimal performance and achievement towards organisational performance. It was further revealed that rewarding performance with bonuses and notch increases is not sufficient to reward the employees and encourage performance; more non-financial rewards would encourage performance as well.

Despite the fact that the findings show that the majority of employees in the department are content with the implementation of the PMS, the recommendations that are made, are intended to ensure that the department will be able to sustain and maintain the current performance trajectory. They are also meant to address some of the gaps in PMS implementation that were highlighted by participants. It is recommended that line managers become more empowered in effectively implementing the PMS and that the PMS policy and the system be used more effectively in implementing a reward system.

Opsomming

Die gebruik van staatsbates op 'n effektiewe, doeltreffende en ekonomiese manier om gehaltesdienste aan die gemeenskap te lewer, is deurslaggewend in die openbare sektor. Ten einde prestasie in die openbare sektor te bestuur, is 'n raamwerk ingestel om prestasie te monitor, te hersien en te beoordeel om die kernmandaat van die openbare sektor te bereik. As sodanig word prestasiebestuurstelsels beskou as 'n geïntegreerde stelsel en 'n deurlopende proses om die prestasie van die instelling en sy personeel te meet.

Die doel van hierdie studie was om die persepsies van die werknemers te beoordeel en 'n begrip te kry oor die effektiwiteit van die prestasiebestuurstelsel by die Departement Beplanning, Monitering en Evaluering in die kantoor van die Presidensie met betrekking tot die prestasie van die werknemers. Die fokus was om vas te stel of die prosesse doeltreffend is om individuele prestasie aan te moedig. Beide kwantitatiewe en kwalitatiewe metodes is vir hierdie studie gebruik. Dit blyk uit die bevindings van die studie dat alhoewel die PMS goed verstaan en toegepas word in die departement, daar egter groot kommer en ontevredenheid bestaan met betrekking tot die vermoë en bestuursbevoegdheid van bestuurders om die rol van mentorskap en afrigting te vervul in die implementering van PMS in die departement, aangesien dit 'n bydrae lewer tot die ontwikkeling van suboptimale prestasie en om die organisasie as sodanig te help presteer.

Dit het verder aan die lig gekom dat die beloning van prestasie met bonusse en verhogings nie voldoende vergoeding is om die werknemers aan te spoor en prestasie aan te moedig nie; meer nie-finansiële voordele sal prestasie verder aanmoedig. Ondanks die feit dat die bevindings toon dat die meerderheid werknemers in die departement tevrede is met die implementering van die PMS, is die aanbevelings bedoel om te verseker dat die departement die huidige prestasietrajek kan handhaaf en in stand hou. Dit is ook daarop gemik om sommige van die leemtes in die implementering van die PMS wat deur deelnemers uitgelig is, aan te spreek. Dit word aanbeveel dat lynbestuurders meer bemaagtig word om die PMS effektief te implementeer, en dat die PMS-beleid en die stelsel meer effektief gebruik word in die implementering van die beloningstelsel.

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CHAPTER 1: INTRODUCTION TO THE STUDY

1.1 Introduction

Performance management (PM) can contribute to the improvement of a high-performance culture in an organization by delivering the message that high performance is critical (Armstrong and Taylor, 2014:62). In order to achieve this, organisations including the public sector have introduced Performance Management System in order to manage, monitor, review and reward performance on both individuals and organisation. A good performance management system (PMS) strives to improve tools utilised in the organisation for the performance of teams and individuals towards achieving targeted goals (Armstrong and Taylor, 2014). An effective PMS can play a crucial role in managing the performance in an organisation by ensuring that the employees understand the importance of their contributions to the organisational goals and objectives. The opposite is also true if employees in an organisation do not fully understand the role of the performance management system. Institutions tend to implement Performance management system strategies and policies with the view that employees understand the system and the processes.

The purpose of this research is to assess the perception and understanding of the performance management system regarding employee performance at the Department of Planning, Monitoring and Evaluation (DPME). The purpose of this chapter is firstly to provide the background of the study; secondly, to identify a problem statement, research question and research objective(s); thirdly, to give a brief outline of the research design and methodology adopted in the study; and lastly, to outline the chapters of the research.

1.2 Background

Since the amendment of the Public Service Regulations in 2001, most South African national and provincial departments had to develop policies regarding performance management of employees and had to implement systems to monitor performance. When the Department of Planning, Monitoring and Evaluation (DPME) was established in 2014 after the national and provincial elections in that year, a Performance Management and Development System (PMDS) was adopted

to promote good practice and to adhere to legislative requirements. This policy was reviewed in 2018. The department was established by merging the Department of Performance Monitoring and the National Planning Commission Secretariat in the Presidency.

The performance environment of the DPME is characterised by the expanding mandate from the institutional arrangements on planning, monitoring and evaluation functions (PME, 2065:13). The implementation of the framework had not been monitored and reviewed since 2014. It took the department four years to review the policy and in 2018 it was indeed reviewed. Workshops and trainings for employees regarding the PMS is still lacking and not well attended when organised which has led employees not understanding how the department implements the policy or framework (PME, 2016). A PMS policy in any government department or institution is a requirement and the DPME management introduced the PMS policy as part of their plan to monitor employees' performance and to align with department's strategic objectives.

The DPME's PMS policy stipulates the period for undertaking performance assessments, the cycle of performance and the dates of reviews. PMS in the department captures the purpose of the system, principles and specific objectives. The organisational goals, planning and budgets and the performance management are linked by ensuring participation of employees in the process. There are task teams that do planning to draw on past experience, vision, mission and general goals to identify and solve problems around strategic issues. Thence, consolidated organisational strategic plans are drawn up, with accompanying budgets. The individual units then have the business and corporate plans, which are cascaded down to the individual performance agreements (DPME, 2016).

The performance reviews are conducted twice a year in the department, where the supervisor and subordinates meet to discuss the performance. The evaluation forms are used for different levels of assessment in terms of Key Performance Areas and development plans. The assessment is based on the 4-point rating scale that was agreed at the time of signing the performance agreement. According to the DPSA (2016), the objectives of the performance agreements were to align strategic objectives and individual performance.

The Human Resource Unit is responsible for formulating guidelines on the PMS in the department. The unit provides and coordinates training on the implementation of the system and monitors processes. Staff still struggle to comply with completion and submitting performance agreements which has impacted negatively on effective implementation of PMS (PME, 2017). Keeping in mind that important variable to be considered in line with benefit of performance management system is the perception of employees (Getnet, Jebena and Tsegaye, 2014:180).

With that background, the study intends to explore perceptions of employees regarding PMS and whether performance outcomes are adhered to as outlined in the policy. However, according to the PME (2016), underperformance still continues even though employees are sent to developmental training.

1.3 Problem statement, research question and objectives of the study

In a global landscape, the public sector is facing pressure to improve the quality of services, to become more accountable and also to respond to the needs of stakeholders and community. Since the advent of the demonstrated dispensation in South Africa in 1994, the transformation of the public sector has remained an area of concern (DPSA, 2016). Since more attention has been paid in the role of performance management (Fatile, 2013:102), the South African government introduced various pieces of legislation and adopted policies that were the foundation for performance management within Public Sector (DPSA, 2016).

Although the South African government introduced legislation that governed the implementation of the performance management system, its implementation still remains a challenge. The performance management system was introduced to ensure that individual performance would relate with the strategic objectives of the department, which would ensure that the public sector would improve as regards service delivery employees' performance. Improvement of individual performance is critical if efficient and effective service delivery is the main objective of the public sector (DPSA, 2016).

On the other hand, the majority of HR professionals perceive that their employee PM systems are not effective in improving organisational performance (Haines III and St-Onge, 2012:60).

Employees and supervisors often dislike employee PM as well and see it as a control mechanism or an unnecessary administrative burden. Some research has even reported that the introduction of employee PM not only has limited impact on performance improvement but also causes decreased productivity as well as other unwanted consequences, including the distortion of performance data (Risher 2011).

In the view of the discussion above that public sector has a mandate to deliver optimal service in the effective and efficient way, performance agreements of officials are signed at the beginning of each financial year at DPME as stipulated in the approved policy. There are some negative perceptions of employees with regard to the practice of performance management within the public sector and this remains a challenge to fully implement (PME, 2016).

As much as the department adopted its PMS policy in order to promote good practice and to adhere to legislative requirements, employee's perception on implementation of PMS in the department might be effecting the implementation of performance management in the department, which included the following remained:

To successful address the problem statement, the research question therefore is as follows:

Do employees of the Department of Planning, Monitoring and Evaluation (DPME) understand the departmental employee performance management system and its processes as having a positive effect on employee's performance? The study attempts to answer the following questions:

- What is PM and PMS in general?
- How do employees at the DPME perceive and understand the implementation of the PMS in the department?
- What are the challenges facing the implementation of PMS in the department?
- How can the implementation of PMS be improved in the department?

To explore the research problem effectively, the researcher adopted the following specific research objectives to systematically address the research question. The research objectives of the current study are:

- To explain the theoretical underpinnings of performance management and the PMS;
- To understand and explain the PMS within the public sector;
- To explore whether PMS contributes to employee performance;
- To investigate challenges facing the PMS at the DPME; and
- To determine strategies to improve PMS within the DPME.

1.4 The significant of the Study

Performance Management and Development System (PMS) is an integral part of planning and controlling within an organisation. It is therefore important to understand the perceptions of both supervisors and subordinates towards the Performance Management and Development System since employees are the most valuable assets and vibrant part of an organisation that could make things happen.

Employees are more likely to be receptive and supportive of a given performance if they perceive the process as a useful source of feedback where such feedback identifies and clarifies emotional responses when employees are subjected to abuse and inadequate explanations of assessment outcomes (Boachie-Mensah & Seidu, 2012:73).

For an organisation to perform well, it needs to utilize its resources effectively (employees) to deliver quality services and products on time and review feedback continuously. (Makamu & Mello, 2014:115) support the view that if PMDS were to be implemented correctly, employees would be motivated to perform better, and any performance related to this issues would be immediately resolved. In order to realize the full potential benefits of the Performance Management System, the organisation should be prepared to invest in resources to make sure that the employees and managers all feel accountable towards the system, otherwise it would be treated as a non- compliance system and none of the employees and organisation would receive tangible benefits. Performance management system increases an employer's confidence that it has the right people in the right place at the right time.

Therefore this study will contribute to national and international debates on the efficacy of the Performance Management System in the public service. With recommendations made,the

department will be able address the gaps identified in order to improve on the effective implementation of performance management systems.

1.5 Research design and methodology

According to Mouton (2010:55), research design is a “plan or blueprint” on how the researcher intends to conduct the research. Babbie and Mouton (2010:247) concurred that a structured framework on how the research will unfold should be conducted in order to solve the research problem. The social research informs the researcher on how to conduct the research and which methods to use (Wagner, Kawulich & Garner, 2012).

The study used a descriptive method, drawing the empirical data from self-administered questionnaires and one-on-one interviews with the employees and management of the organisation. Non-empirical data was collected from the existing performance management system policy and from strategic and operational documents of the organisation. Mouton (2010:53) highlighted that a study should look at the content analysis from reports published and use qualitative research methods to collect data in order obtain an in-depth understanding of the respondent behaviour.

Offredy & Vickers (2013) emphasise that on qualitative research study, the researcher is totally involved as a whole person, perceiving, reacting, interacting, reflecting, and attaching meaning and recording. Through qualitative data collection, the researcher obtains the richness and depth of the data, from from complex and multi-faceted phenomenon in a specific context (Bezuidenhout, Leonelli, Kelly & Rappert, 2014).

1.5.1 Population and sampling

A sample is a distinctive part of a population observed in order to make analyses about the nature of the total population itself (Babbie, Mouton, Vorster & Prozesky, 2015:202). Welman, Kruger & Mitchell (2005:56) differentiate between two forms of sampling, namely, probability sampling and non-probability sampling. Based on the research design, purposive sampling was used in selecting participants for interviews, where the researcher purposely chose the participants, based on their ability to provide the necessary data when face-to-face interviews were conducted. For

questionnaires, convenience sampling was used based on their willingness and availability of the participants to take part in this study (McMillan & Schumacher, 2010:137).

190 questionnaires were distributed at workplace to those who were conveniently available to participate in the study. 89 responses were received. Keeping in mind the weaknesses of the convenience sampling technique, the one technique initially employed was supported by Babbie and Mouton (2017:166) & Bryman (2016:201).

1.5.2 Data collection and analysis

Primary data was collected in a form of semi-structured questionnaire and interviews according to convenience and the purposive sampling method. A semi-structured questionnaire was administered to test the views and beliefs of DPME employees in view of the implementation of the PMS in the department. A Likert Scale was used as a multiple indicator to measure intensity of feelings about the subject under study (Bryman, 2012:166). Subsequently, a questionnaire with structured questions was compiled by way of drafting relevant questions and then presenting them to members of staff (sampled respondents).

The structured questionnaires were physically distributed by the researcher and respondents were requested to place the completed questionnaires in an allocated box on the secretary's desk. Twice a day the researcher collected the completed questionnaires from the box and stored them in a locked safe. For semi-structured interviews, a different structured questionnaire was administered by means of face-to-face interviews with two (2) junior managers, two (2) senior managers and one (1) executive manager, purposively selected for their understanding of the aims and implementation of performance management system. The interview with the selected senior managers was conducted in a manner with which participants were comfortable and produced variability of responses (Babbie and Mouton, 2017). Audio recordings were made when conducting the interviews to capture in-depth knowledge of the concepts.

Interviews were conducted in English by the researcher. The data gathered from the information received on questionnaires and interviews from the respondents was analysed, based on the responses. Frequency distribution tables and charts were used to present the findings regarding the

responses and distribution of values. The study used non-empirical data from existing strategic and operational documents from the case study organisation. Documents were analysed in order to obtain an in-depth understanding of the topic under study. This allowed the research to retrieve and analyse the documents within their relevance, significance and meaning (Wagner, Kawulich & Garner, 2012)..

1.6 Chapter outline

Chapter One gives background as well as the rationale of the research study; secondly, the problem statement, research question and research objectives are identified; thirdly, the research design and methodology are briefly discussed; and finally the chapters of the research study are outlined.

Chapter Two deals with literature review on performance management and PMS with emphasis on conceptual understanding of the performance management system of individuals. The nature, scope and purpose as well as factors for effective PM are discussed, followed by an in-depth discussion of employee performance. Theories on employee performance are discussed, including the performance management cycle for the successful implementation of a PMS and proposed criteria for effective implementation of PMS.

Chapter Three outlines the relevant policy frameworks that govern the implementation of performance management systems within the public sector, specifically to government national departments. Key policies and legislation are discussed i.e. The Constitution of the Republic of South Africa, 1996; the White Paper on Public Service Delivery (Republic of South Africa, 1997); the Water Services Act, 108 of 1997; the Local Government: Municipal Systems, Act 32 of 2000; the Municipal Planning and Performance Management Regulations (2001) and the Framework for Managing Programme Performance Information (2007).

Chapter Four explains the use of the Department of Planning, Monitoring and Evaluation as a case study, giving background regarding the practices of the performance management system policy framework within the department.

Chapter Five outlines how the empirical research was conducted in terms of the adopted research design, methodology, sampling procedure, data collection procedures, data analysis of interviews, questionnaires and ethical consideration and present findings.

Chapter Six focuses on conclusions and recommendations of the study, providing an outline in this regard.

Appendices: This section comprises the research interview questions, the letter permitting the researcher to conduct the study and consent to participate in the research.

In the next chapter, the literature on performance management in the public sector that guide this study is discussed.

CHAPTER 2: UNDERSTANDING PERFORMANCE MANAGEMENT AND SYSTEMS: A CONCEPTUAL FRAMEWORK FOR THE PUBLIC SECTOR

2.1 Introduction

The literature which significantly contributed towards the introduction and implementation of performance management systems and processes within the public sector, reviewed will be presented in this chapter. A conceptual understanding of the performance management system at an individual level as well as the theories underpinning this study is discussed. Further to that, the performance management cycle and factors that contribute to the success of implementing the performance management and system(s) are also presented.

Performance Management as a concept

Performance management (PM) have historically been areas of substantial focus in both research and practice (Schleicher, Baumann, Sullivan, Levy, Hargrove & Barros-Rivera, 2018). It has been discovered that vast majority of organizations have formal PM systems (Schleicher, et al., 2018). PM is viewed as an activity which is aimed at developing the work effectiveness of the employees (Aguinis & Molina-Azorín, 2015). Yet despite its popularity PM in both practice and the research literature, there remain many unanswered questions about its effectiveness(Schleicher et al, 2018). This study endeavours to get views and perceptions of the employees and managers regarding performance management system in the department.

Ashdown (2014) views Performance management(PM) as holistic of activies that if managed well may can lead to effective people management. On the same breath Armstrong (2014) agree and views Performance Management (PM) as a systematic process for improving organisational performance by developing the performance of individuals and teams. While performance management (PM) has proved to be a useful instrument for good organisational performance, without a comprehensive design and implementation process, its value could not be successful (Van der Walddt, Fourie, Jordaan, & Chitiga-Mabugu, 2018). The reason for the introduction of a Performance Management System (PMS) in the public sector departments was to ensure that performance would be monitored and improved in order to deliver quality services to communities.

Performance as a concept may be used to describe the accomplishment, execution, carrying out or working out of anything ordered or undertaken (Aguinis, Gottfredson & Culpepper, 2013). In the light of the research conducted by above authors, the study explores if the employees at DPME understand and believe the effectiveness of the PMS implementation.

2.2 Understanding employee performance

Employees are a blood stream of any organisation (Elnaga & Imran, 2013:138). Managing employees is essential function of an organisation and should be viewed as an “investment and not expense” (Femi, 2013; Schraeder & Jordan, 2011). Organisation requires employees who are able to get job done, as employee performance is critical for the overall success of achieving organisational targets. Employees should understand how the PMS operates, what is expected of them, results behaviour (inputs and outputs), how do they contribute to the goals of the organisation, and how they will be rewarded (Ashdown, 2014, Bussin, 2013 & Armstrong, 2014). According to Schraeder & Jordan (2011) numerous methods of monitoring, managing and improving employee performance have been developed, however it is still a challenge as believed by (Bussin, 2013:120). One of the important factors in employee performance is to achieve targeted goals that are measured by using a performance system and therefore this system should be transparent and well understood. Kanyane & Mabelane (2014) further believe that employee performance has to do with accomplishment of the job description.

Government departments, institutions and organisations were established with the purpose to achieve the overall government programmes, objectives and goals, an effort which results in service delivery. Accountability of employees and how they perform, have therefore taken centre stage in the public sector (Bussin, 2013:101). Elnaga & Imran (2013) advocate that employees who are satisfied with their jobs will have higher job performance and the opposite is also true. It is imperative that organisations invest resources to develop desired knowledge, skills and abilities of the employees through effective training programmes. Effective trainings of employees assist and prepare employees to do their jobs as desired (Ashdown, 2014). To perform their jobs successfully, employees must know what they need to do and how this aligns to the overall organisational objectives. Therefore when the performance agreements are developed, clear job task and outputs should be clear, and the resource that are available to carry out these tasks.

Government departments are not only “developing and implementing programmes to improve service delivery, but also to improve employee performance” (DPSA, 2016). An important element is the continuous monitoring, evaluation, and appraisal of the employee performance (Armstrong, 2012). Employees could only be satisfied if they feel competent to perform their job, which is achieved through motivation, training and rewards (Armstrong, 2017).

When Poopa (2012:11) analysed a case study with the title “Assessing the impact of service benefits on employee performance in Gauteng Department of Education”, it illustrated that a review of the achievement of goals may be achieved through a suitable employee performance review system. Robbins and Barnewell (2015:337-338) argued the value of evaluation by means of managing job performance and how the employee might improve regarding activities they were tasked with.

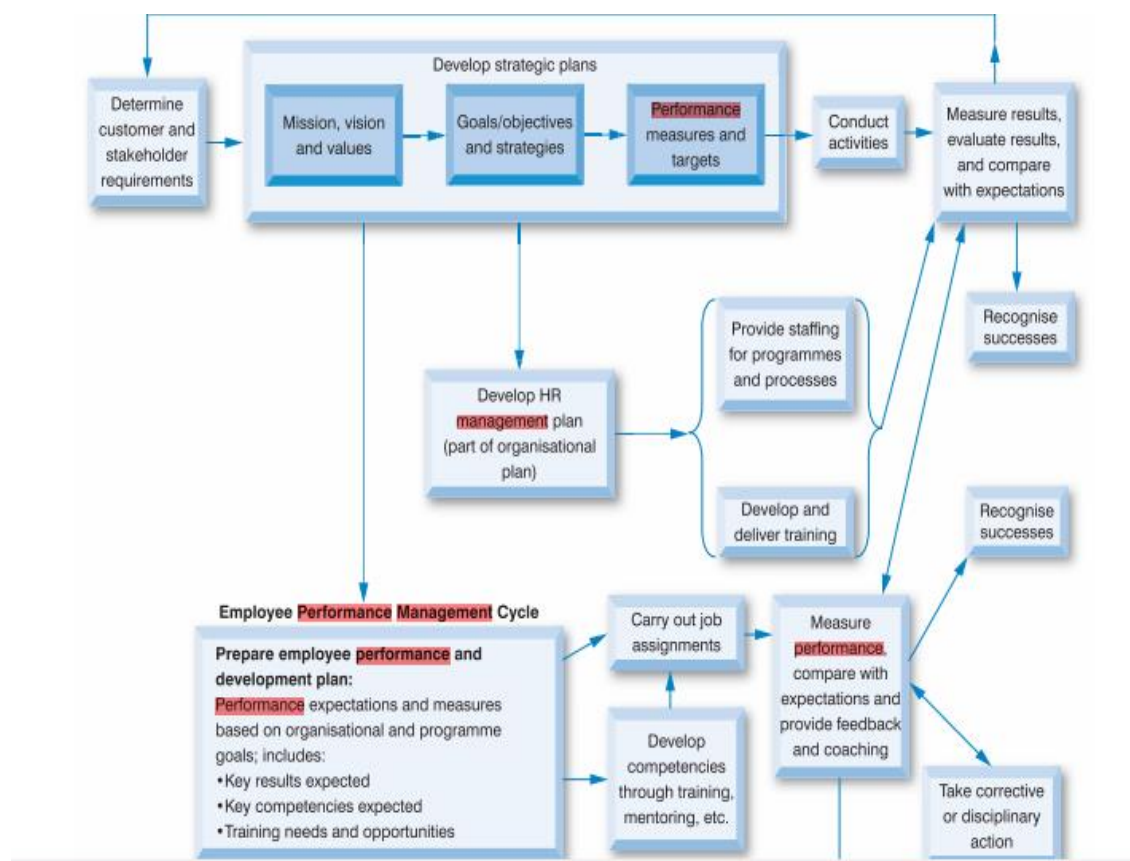


Figure 2.1 Performance Management Model

Source: Webster, 2013

Figure 2.1 above gives an overall view of performance management activities and what is expected from managers and individuals. According to Webster (2013:293) there are three types of performance criteria that can be useful, which are “*trait-based criteria*’ where the focus is on the personal characteristics of an employee, *behaviour-based criteria* which are concerned with specific behaviour that leads to success and *results or outcome-based criteria* that focus on what was produced rather than how it was produced”.

Appraisal of the employees is one of the important developmental functions of employee performance. Management should develop an accurate system of performance appraisal to identify outstanding, average and poor performance. This system could assist the employees in a department or organisation to become aware of their performance deficiency. For managers to create an environment and atmosphere of trust and co-operation, the purpose of the appraisal system must be clearly communicated and fully understood by all stakeholders, and must explain its benefits for the organisation (Steers & Lee, 2017).

It is important for managers or supervisors to give employees feedback regarding their performance appraisal. It should be clearly communicated what employees are doing well and the areas that need improvement must be explained. The appraisal system should be part of an integrated system of performance management. Idowu (2017) argue that neutrality in measuring and assessing whether employee had met the allocated duties was critical to employee performance. On the other hand Noe & Kodwani (2018) believe that behaviour that fitted organisational goals was the key to effective employee performance.

From the discussion in this section the importance of employee performance as the key in the overall organisational performance is evident. In the next section, the theories underpinning effective performance management will be discussed.

2.3 Performance management – underpinning theories

Literature provides a number of models demonstrating how a PMS could be implemented in different organisations. Leaders and employees in the public sector are under pressure to improve performance to have an impact on the quality of services to be delivered. It is important that

managers consider available models and techniques in order to use the public resources optimally for the benefit of society. The theories that were selected to support this study include the goal setting theory and the expectancy theory. Attempts are made to identify the solutions to facilitate best practices in performance management.

2.3.1 Goal-setting theory

This study adopted goal-setting theory developed by Edwin Locke to explore some of the key aspects to the implementation of PMS in an organisation (Locke & Latham, 2012). Goal-setting theory refers to the effects of setting goals on subsequent performance (Aguinis, 2013). It is believed that individuals who set specific, difficult goals performed better than those who set general, easy goals (Locke & Latham, 2012). Locke proposed five basic principles of goal-setting: clarity, challenge, commitment, feedback, and task complexity. The theory suggests that goals established by employees play an important role in motivating the employees towards better performance (DuBrin, 2013). According to the theory, people get motivated by establishing goals but not all goals can have positive influence on performance (Le and Pastukhova, 2018:20).

However, Neubert & Dyck (2016) strongly believe that goal setting is more effective when feedback allows performance to be tracked to one's goal. Feedback without goal also has little effect on performance ((Locke & Latham, 2012). Without knowing the direction where the organisation is heading, it could be difficult to measure performance. Armstrong (2012) agrees that planned goals are to be cascaded down to the lower levels of the organisation. Although the idea of linking individual and organizational goals makes sense, Pulakos & O'Leary (2010) note the following practical challenges in cascading goals:

- Cascading goals take time and can be difficult for managers who are not accustomed to linking goals between levels.
- As goals are cascaded, they often become disconnected from organizational goals and obscured, akin to the game of telephone, in which retelling a story can alter it in ways not intended.

- Even with training, the quality of the objectives varies greatly from manager to manager, and objectives are rarely comparable across similarly situated employees (Pulakos & O'Leary 2010).
- Even when jobs are predictable, goals set at the beginning of the year cannot account for unexpected events during the year. This challenge is exacerbated in fluid situations in which priorities change frequently (Pulakos & O'Leary 2010). Although guidance is given to update objectives as the situation changes, this is rarely done in practice
- Finally, goal attainment is often based on available rather than optimal measures, which can sacrifice important criteria, for example, measuring quantity rather than quality

One of the important components of goal-setting theory is that goals established by an employee play an important role in motivating them for superior performance. This is because the employees keep following their goals. If these goals are not achieved, they either improve their performance or modify the goals and make them more realistic (DuBrin, 2013). From the series of studies undertaken, strong evidence suggests that using goals that are specific, moderately difficult and accepted by the individual would be effective (Locke & Latham, 2012). It supports the practice of managing the performance through agreement on objectives and goals, monitoring and reviewing the achievement and giving feedback. Othman (2014) confirms that people with specific goals performed better than those with vague goals.

The researcher concludes from the theory above that if subordinates as well as the employer all draw up clear and measurable objectives, there is a probability that to set goals might be achieved and become easy to measure at the end of the performance cycle. Le and Pastukhova (2018) argue that commitment to a specific goal leads to persistence until the goal is achieved. It can therefore be concluded that this theory is characterised by linking the goals that are specific to performance, which in turn motivate employees to perform to meet targets. From this description, the goal setting theory is applicable to this study because the performance management system is among other things a process of setting specific performance goals for the employee, which in turn helps as a potent motivating force for the employee.

Therefore, goal setting theory was adopted to understand the importance of goal setting, supervision and feedback in the work process in a bid to enhance performance and to increase productivity. The job description of the employees and the task settings of the management are continuously reviewed to understand where the problem lies while recommendations are invariably made to enhance the process of performance management

2.3.2 Vroom expectancy theory

This theory assumes that individual performance is based on individual factors such as personality, skills, knowledge, experience and abilities (Baciu, 2018). Emphasis is placed on the individuality and variability of motivational forces as being distinct. The expectancy theory is supported by the belief that one's efforts would result in attainment of desired performance goals (Lloyd & Mertens, 2018). This theory uses three variables which were **Expectancy, Instrumentality and Valence** which are discussed as follows:

Expectancy

Expectation is the expectation in relation to the individual effort that needs to be made, in other words, the chances of success attributed to one's own capacities in order to achieve performance. Employees are generally motivated to get seriously work involved if they come to believe that the efforts they make will be reflected in high performance (Chirasha, Chipunza, & Dzimbiri, 2017). Expectancy is supported by the belief that increased effort would lead to increased performance (Baciu, 2018). Factors such as availability of the right resources, the right skills to do the jobs and the necessary supports to perform the job have a positive impact on this variable (Baciu, 2018). Maier (2017) contend that several elements that organization/institution can influence expectation to individual:

- organization allows gradual learning, skills development, etc
- delegation of power; - training policy; - internal mobility, as it allows employees to gain experience, acquire new skills, etc.
- the attitude of superiors as it can affect self-esteem
- coaching as a form of supervision but pursuing the development of people in various forms

Instrumentality

Instrumentality is the probability perceived by an individual as an effort to be or not accompanied by a reward (Buciu, 2018). For example, people work much faster if they get financial rewards, or if they think the way they do their work affects their opportunities for promotion. Instrumentality tends towards the belief that increased performance would lead to outcome. Judson, Ross, Krause, Middleton, Ankeny, Culbertson & Hjelmstad (2017) strongly believe that employees' instrumentality can be influence through the following:

- promotion policy;
- appreciation system;
- payroll policy;
- the attitude of superiors;
- the meritocracy elements;

Valence

Buciu (2018) define valence as the subjective value, attachment or preference that each individual attributes to a reward. It does not exist as such, but only in relation to a certain result: wage increase, promotion, transfer to a new job, more responsibility at work (Aguinis *et al.*, 2013). It is not enough that rewards are correctly perceived, but the individual to really want to get them. According to Aguinis *et al.* (2013), the expectancy theory is based on the idea that behaviour is always purposeful and goal-directed. This theory looks at the individuals themselves, what the individual values, what they expect and what would influence their motivation. According to Aguinis *et al.* (2013) the Expectancy theory is characterised by self-efficacy, goal difficulty and perceived control:

- **Self-efficacy** – the person's belief about their ability to successfully perform a particular behaviour. The individual will assess whether they have the required skills or knowledge desired to achieve their goals.
- **Goal difficulty** – when goals are set too high or performance expectations are made too difficult, this would most likely lead to low expectancy. This occurs when the individual believes that their desired results are unattainable.

- **Perceived control** – Individuals must believe that they have some degree of control over the expected outcome. When individuals perceive that the outcome is beyond their ability to influence expectancy, motivation would thus be low.

In terms of Vroom's theory, changing people's beliefs over a period of times is limited, so their knowledge, skills and abilities are stagnant (Martinko, 2018). It is therefore important that management should identify and recognise an individual's expectations in trying to motivate individuals to perform. In terms of this theory, managers would be provided with an understanding of their subordinates in order to guide them to achieve intended outcomes to the benefit of their individual careers.

In summary, this theory expresses the inter-relationship between effort, performance, and outcome (Lunenburg, 2016:2). The employees believe that some reasonable effort that is employed in the process of work and this is set to enhance performance. The ultimate performance enhances good rewards and the upward mobility on salary level for the employee (Martinko, 2018). This theory was adopted to understand the reward system practised in the Department of Planning, Monitoring and Evaluation towards employee goal attainment. This, in theory, is practised in a bid to enhance motivation and enable the employees to give the best of their input to the organisation

2.4 Defining performance management

Performance management refers to a wide range of processes which centers on setting goals, defining performance measures, reviewing and acting upon performance data, and the activities that surround these, with the ultimate goal to improve organizational performance (Bititci, Bourne, Cross, Nudurupati and Sang, 2018). Armstrong (2014:2) and Kanyane & Mabelane (2014) concur that performance management is a shared vision about the purpose of the organisation and assisting each other to understand how an individual's role contributes towards that vision.

Kearney (2018) view performance management as a meaningful practice towards organisational success which requires managers and employees to work together to set expectations, review results and reward performance. A more recent definition is that of Kinicki Jacobson, Peterson & Prussia (2013) who define performance management as a process consisting of managerial

behaviours aimed at defining, measuring, motivating, and developing the desired performance of employees. It can be understood from the authors above that performance management comprises of the following factors:

- A shared vision about the organisation from management to individuals/teams;
- An integrated system on planning, evaluation and monitoring the results;
- A framework to direct performance; and
- A tool aimed at increasing productivity of the organisation.

It is understood that performance management is a tool aimed at improved performance and productivity of the public service. Various authors defined this concept differently, but the value of performance management is recognised by most organisations to improve the performance of both the organisation and the employees (Armstrong, 2012). On the other hand, Kasemsap (2016) argue that performance management play a vital role in helping institutions to achieve goals. The crucial issue in performance management is linkage between the performance of an organization's human resources and the achievement of organization goals. The alignment of an individual's performance to the goals of the organization is the key to successful implementation of performance management (Ashdown, 2014).

2.5 The purpose of performance management

Femi (2013:91) affirm that performance management enables the top management to make decisions on employees' counselling, promotion, training, development, salary, bonus allocation, personnel audits, work motivation, career managements and disciplinary action. The most important purpose of performance management is firstly to establish a culture in which employees' objectives are aligned with the organisational objectives and vision (Ashdown, 2014, Armstrong, 2014 & Kearney, 2018).

Secondly, it should be used to “measure, motivate and develop” employees to perform (Kearney, 2018). Performance management therefore establishes the framework where individuals are encouraged, supported and guided to have a performance culture (Armstrong, 2012). Furthermore, performance management should serve as a cornerstone driving force behind all organisation

decisions, work efforts and resource allocations (Ashdown, 2014). All stakeholders must be involved in a process, such as the Executive Authority, Heads of Departments, Middle Managers or Supervisors, including all employees in general. Armstrong (2014) emphasise the importance of linking the work of each individual employee to the overall mission of the work unit. Performance management emphasises and focuses on evidence from employees and managers regarding the results and in the instance of underperforming, managers could give direction regarding areas for development. The importance of performance management within the public sector is echoed by Schleicher *et al.* (2018) who strongly believe that success of an organisation depends on how people are viewed and treated.

From the work of the above authors it can be understood that performance management endeavours to establish relations between employees and managers to achieve organisational goals. In the context of this study the term performance management will therefore be seen as the system by means of which an organisation sets work goals, determines performance standards, assigns and evaluates work, provides performance feedback, determines training and development needs and distributes rewards (Armstrong, 2014).

Marhayani & Ibrahim (2019:20) advocate that organisations required unique qualities and commitment of employees so that more, and better quality work could be done in less time in order for organisations to survive the increasingly competitive economic environment. As it was stated earlier that employees are a blood stream of any organisation (Elnaga & Imran, 2013). The underlying concept of performance management is to define the goals and outputs needed to achieve these goals, to gain the commitment from the employees to achieve these outputs and to monitor the outcome (Aguinis, 2013:34). Armstrong (2012:3) agrees with Aguinis (2013) that the aim of performance management is to empower, motivate and reward the employees to do their best. From the various sources reviewed, the aims of performance management can be summarised as on Table 2.2:

Table 1.1: Aims of Performance Management

Purpose	Description
To set goals	Ensuring that employees set the intended targets to be achieved
To measure the performance	Development of measuring system in the organisation
To evaluate and monitor performance	What gets done gets evaluated and monitored
To motivate	Tools of motivating the culture of performance are implemented
Empower and reward	Good performance to be rewards and employees are developed
Create learning environment	Employees to be trained and learn from previous lessons in order to improve performance in the future.

2.6 Benefits and challenges of performance management

Performance management benefits both the organisation and its employees. Chilala (2015:18) stated that performance management is a very important part of human resource management. However, it is essential that the performance management system should not be static, but should mature as the management style and organisational culture evolves. Better planning must be provided by identifying and linking the objectives and the strategy of the organisation with the activities of each employee in the organisation (Armstrong, 2012).

Making the performance results transparent to the public would allow better prioritisation of programmes and choices of where to allocate resources. Armstrong (2014:49) agree that the focus was on what had to be done, how it should be done and what was to be achieved. Performance management is, however, equally concerned with developing people, helping them learn and providing them with the support they need to do well, now and in the future. Performance management promotes trust through ongoing two-way communication and feedback on the performance results and a transparent appraisal process (Mokwadi, 2019).

A performance management system provides a comprehensive data source to allow institutional skills development and training needs to be clearly identified and prioritised. With this data in mind, management would have better judgement as to the decisions regarding salary increases, promotions, transfers or demotions. It allows for institutional, divisional, team and individual performance indicators and measures, as well as generic indicators which can be used to encourage

co-operative and other desired institutional behaviour. Performance management becomes a planning measurement that leaves room to change direction and priorities throughout the year.

Schleicher *et al.* (2018) highlight the benefits of effective performance management system as follows:

- It enables management to set objectives and manage relationships with external bodies;
- It assists managers to set targets and standards for their teams, based on the organisation's mission;
- Once the staff understands their set target, they can work independently with minimum support from managers;
- It provides a centralised business plan which results in working together of all the units in the organisation; and
- Performance management enables the organisation to convert customer needs into the organisation and draw up workable plans of action.

Having stated the benefits of performance management, Chilala (2015) mention challenges in implementing effective PMS in any organisation which included the following:

- Some units that have not performed adequately may feel insignificant and discouraged.
- Performance management may seem time-consuming and controversial and completing the performance forms or templates is sometimes a lengthy and complex process.
- Managers may be inclined to use the instrument to control and discipline, instead of using it as a developmental tool.
- Managers, together with employees, may see it just as just another human resource system whereas it is a management tool and there should be shared responsibility to see to it that the institution is performing optimally as per the objectives set.
- Lastly, the integration of PMS and other human resource systems is limited where PMS information is used for decisions regarding selection, development and succession.

It is evident from the above that performance management has various benefits, although challenges are still being experienced. It promotes better planning for the institution, which results

in aligning employee goals with institutional goals. Open communication channels and participation of both the employees and the managers result in trust.

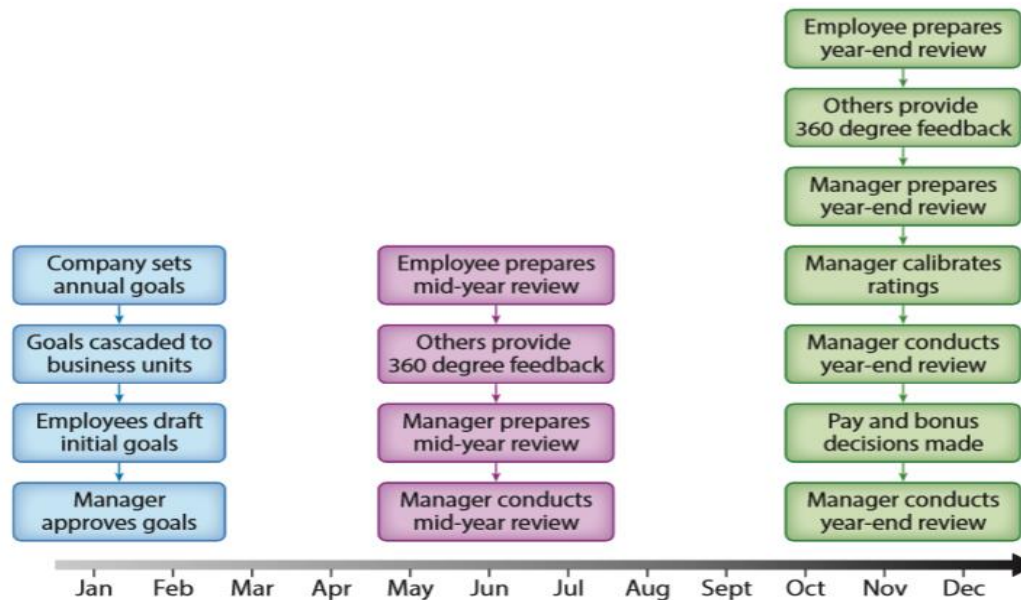
2.7 The performance management process

This section will explore the performance management cycle and processes at the employee level. Performance management is not an overnight event, but a process or cycle. The process of usually involves setting goals, monitoring and appraising performance, providing feedback, coaching, training for development, encouraging participation, providing rewards for good performers and handling poor performers (Aguinis 2013; Pulakos and O'Leary 2010; Haines III & St-Onge 2012; Kinicki et al. 2013). According to Spangeberg and Theron (2013:36), the process of performance management systems comprises inputs by strategic driver, processes on clarifying goals and mission of the organisations, outputs and linkages to other systems.

2.7.1 Planning

Planning phase or referred to as setting goals forms the first important step in the PM process cycle. For any performance management to be effective, this phase must be clearly outlined and implemented. O'Boyle and Cummins (2013) argue that setting measurable goals at the beginning of the performance period enables employees to concentrate on the achievement of critical objectives, increase effort and overcome the challenges. According to Armstrong (2014) planning is “a continuous process in performance management and should be executed with great care” whereas Maley (2017) emphasis that “planning should be executed with great care and it would help to encourage commitment and understanding of what the organisation was all about”.

Figure 2.2: Performance Management process in organisation



Performance management process in an organisation

Source: Pulakos et al., 2019

As illustrated at Figure 2.2, PM process begins by setting goals and objectives for each employee. Goals are then cascaded to business units in order to link organisation's strategic goals down to each employee (Pulakos, Mueller-Hanson and Arad, 2019:256). The linkage assist employees understand how their work aligns with organisation goals. Although cascading organisation goals is ideal and make sence, Puluko & O'Leary (2010) points out challenges in the process as discussed on section 2.3.3 of this chapter. This phase however is concerned with setting targets/plans to be persued with a certain agreed performance period of time (Armstrong, 2014).

Performance plan indicates the time, taks and resources required to accomplish the decided goals (Ashdown, 2014). Without setting targets, the organisation would therefore have no direction and its employees would not have proper knowledge for the expected tasks and activities (Martinko, 2018). From there, performance agreements regarding planned key performance areas and formal

developmental plan for employees are prepared. The agreement between employer and employee should be carried out jointly throughout the set period for guiding improvement and development activities. According to the DPSA (2017:11), performance agreement is the cornerstone of performance management at the employee level and all employees enter into this agreement

The main aim of performance agreement is have plans in place to direct performance. This means establishing priorities that can be developed as work plans (Armstrong, 2014). These work plans may be broken down into programmes or projects in order to achieve planned targets, improve performance or complete projects at the set times. The aim according to Armstrong (2014) is that both parties should understand the meaning of objectives in order to apply these to day-to-day activities. Agreement is actually reached when both parties agree on how the performance will be measured and what evidence will be used to ascertain level of competency. This is crucial, as it will be used by both to “monitor and demonstrate achievements” (Armstrong, 2014).

It can be deduced that performance planning is the starting point in the performance management process, where agreements between manager and employee are reached from the beginning of the year. It sets the tone of what is to be achieved and what is required to achieve agreed organisation goals.

2.7.2 Performance assessments, reviews and monitoring

Monitoring performance means consistent measuring of performance and providing ongoing feedback to employees (Ashdown, 2014). This happens in the form of mid-term reviews as illustrated in Figure 2.2 and both employee and manager prepares for this step. Armstrong (2014); Mone, London & Mone (2018) concur that performance reviews means rating the employee by using a systematic periodic method pertaining to their present job and to their potentialities for a better job. On the other hand, Armstrong (2014:78) argue that reviews allow both managers and employees to take a look together at how performance could become better in the future. In this way, challenges could be identified and possible solutions could be explored in order to meet performance standards and objectives.

Ashdown (2014) point out that the role of managers when these bottlenecks were identified, should be to provide “coaching and provide support and guidance”. Coaching is a powerful tool for personal change and learning (Devine, Meyers & Houssemand, 2013). Coaching is a person-person technique designed to develop individual knowledge, skills and attitudes. Performance reviews become effective when they represent a collaborative process and when both the manager and employee prepare ahead of the meeting (Armstrong, 2014). Ongoing communication and discussions are critical for performance throughout the year. Critically important is to increase motivation and employees self-esteem (Hassan, 2016).

Performance appraisal (PA) is generally defined as a process of evaluating an individual's behaviour and accomplishments in the past and present to differentiate between members in the organisation (Armstrong, 2014 & Meyer-Sahling 2012). Both supervisor and subordinates work together to assess the progress as per the performance plan. The primary purpose of PA is to arrive at objective administrative decisions such as selection, promotion, transfer, remuneration, dismissal (Bratton & Gold, 2012). The process assists both the organization and employees to identify, assess and develop an individual's benchmark of performance (Ikramullah, Shah, Khan, Hassan, & Zaman, 2012).

Moreover, PA acknowledges the role of an individual employee and makes each employee further committed to the organization (Armstrong-Stassen & Schlosser, 2010). Providing feedback and communicating may be a signal to employees that they are being valued by their supervisors and the firm, which makes them feel more as part of the organization. Risher (2011) even asserts that “individuals cannot improve their performance unless they receive some form of feedback”.

It is argued that important positive job outcomes such as organizational commitment, job satisfaction, and work performance have been reported have an impact towards effective performance appraisal (Idowu, 2017; Kampkotter, 2016 & Othman, 2014). On the other hand, Maley (2017) view that in order for PA to be effective fair treatment, offering support, effective communication and collaboration should be in place.

Aguinis *et al.* (2013) advocate that PA should aim improving and building relations within the organisation. On the contrary, as much as the ideal situation would be to build and create an environment where both supervisor and employee take review as a platform of both growing and learning, employees still have a defensive attitude towards the process (Aguinis *et al.*, 2013). Meyer-Sahling (2012) argue that the process has been used for discipline purposes rather than developmental and incentive purposes. However, performance reviews should provide a platform for two-way discussion and feedback on an ongoing basis throughout the rating period (Pulakos *et al.*, 2019). In review, employees are encouraged to assess their own performance in order to improve their own results and own up to the development of training needs.

According to Aguinis *et al.* (2013:22), face to face meeting is required by planning and agreeing to performance standards. Specific goals, formulating action plans, agreeing on relevant performance dimensions and key performance areas on quarterly basis and finalized review at the end of financial year should be discussed. After full discussion, supervisors and employees must agree on KRA, employee development needs and both parties must sign the contract of performance and submit to PMDS unit in HRM.

Ashdown (2014) contend that performance reviews serves two main purposes, namely: counselling and development; and discussion of administrative decisions, for example, salary increases and promotions. Dailey (2012:321) argued that the primary goal of review was to inform employees where they were standing relative to performance, to develop information to make personnel decisions and to identify employees with training and development needs.

It is deduced from the above discussion that PA plays an important role in the effectiveness of performance management and is at the center of the PM cycle. As much it is the time that manager and employees may dislike, however it can be used to build relations. It may serve a motivator for performance as well, however If employees are better convinced of the review phase and if feedback was done properly by managers, they would more likely to acknowledge their performance ratings, including unfavourable ones (Ashdown, 2014).

Ongoing feedback and coaching is crucial for performance management to be effective. According to Hassan (2016) providing periodic feedback about day-to-day accomplishments and contributions would be very valuable. In many organisations this does not happen, as managers or supervisors wait to communicate performance until the formal reviews take place as planned. Woyessa (2015:36) in his study “The effectiveness of Performance Management Systems at the Central University of Technology” point out that many managers did not have the skills to provide effective feedback, or they avoided it. It should be delivered in a productive way in order to minimise employees’ defensiveness.

Many government departments have formal or written performance reviews on a mid-year basis (DPSA, 2017). Armstrong (2012) advise, however, that reviews should be held frequently, as this would reduce the overload of criticism to the subordinate, compared to holding it once a year. On the other hand the DPSA (2007) mentioned that performance review meetings were in integral part of the monitoring process and should take place as often as required by circumstances, and further states that employees’ performance should be monitored and oral feedback given at least four times a year and feedback in writing at least twice a year preceding the employee’s annual formal performance assessment cycle. This is why most government departments conduct the mid-year reviews in writing in terms of DPSA guidelines.

Aguinis *at al.* (2013) proposed the following meetings to be held during the performance management cycle for the performance management between the manager and employee to be effective:

- **System inauguration** – The purpose of this meeting is to discuss how the performance management system works, which requirements and responsibilities rest primarily on the employee which rest on the supervisor;
- **Self-appraisal** – The aim of this meeting is to discuss the self-appraisal prepared by the employees;
- **Classical performance review** – this is to discuss employee performance, including the perspectives of both the supervisor and the employee;

- **Merit/salary review** – The purpose of this meeting is to discuss what, if any, compensation changes will result as a consequence of the period's performance;
- **Development plan** – Employees' developmental needs are assessed, and what steps will be taken so that performance will be improved during the following period; and
- **Objective setting** – This is the meeting where performance goals are set, both behavioural and result-oriented.

It seems that meetings where there is open communication are important for an effective performance management system. It is critical and crucial that there should be clear objectives regarding what each meeting should entail. Performance reviews should involve the process of documentation; therefore minutes should be kept of the meetings. This requires the supervisor and subordinate to sign a performance appraisal form before sending it to the human resource unit. In the case where supervisor and subordinate disagree with what is written down, the subordinate may add comments to indicate his or her disagreement (Armstrong, 2014). The researcher concurs with the conclusion that appraisals in their various forms and instruments are critical, if correctly used to enhance the effective implementation of the PMS at organisational level.

2.7.3 Managing the outcome of performance assessments

Satisfactory performance and unsatisfactory performance have to be managed by the process of effective performance management (Ikramullah *et al.*, 2012). Performance management is forward-looking and therefore in the event of under-performance, the necessary tools should be provided to improve in future and for satisfactory performance to be rewarded. Under-performance of employees can influence behaviour in an organisation, hence it is critically important for employees to be trained in areas where gaps have been identified (Mokwadi, 2019).

Managing satisfactory performance

Pulakos *et al.* (2019) highlight that there are three ways of giving recognition for good performance; pay progression, performance bonuses and non-financial rewards. Besides, Hasnain, Manning, & Pierskalla (2012); Taylor & Beh (2013) discovered the effect of reward programmes on employee job satisfaction and performance to be positive. It is important to reward good

performers because employees generally feel more motivated when their performance is rewarded (Azzone & Palermo 2011). Othman (2014) claim that reward-for-performance does not decrease the effectiveness of employee PM, but makes it more effective as a tool to get employees and organisations committed to appraising and rewarding performance well.

On the other hand, Emmerik, Schreurs, Cuyper, & Peters (2012) argue that performance appraisals can be used to motivate employees through rewards such as promotions and salary increases. Pay progression refers to as an upward progression in remuneration from a lower remuneration package to a higher remuneration package (Armstrong, 2014). If an employee achieves a particular score as determined in the measuring instrument or policy, then he or she becomes eligible for progression to the next higher package in the remuneration band (Kampkotter, 2016 & DPSA, 2016).

Employees' pay progression is commonly linked to an assessment of performance, skills and competencies that he or she applies in the job. It means that employees are paid for developing their skills and expertise in the institution. Armstrong (2012) argue that when rewards are well managed, desired commitment are achieved efficiently and effectively since the employees get a sense of mutual gain. Managers take a pragmatic approach to how they use ratings in pay and reward decisions (Pulakos *et al.*, 2019). Instead of using the rating process to arrive at an evaluation and then translate this into a pay decision, managers are more likely to retrofit the ratings to align with their reward decisions they want to make at a given point in time.

It is understood that performance appraisals perform a crucial role in determining the amount of bonus payment or salary increase. A performance bonus is a pay-out cash reward based on annual performance of employees. Within the performance management literature one of the most dominant views is that money or pay-for-performance is the most effective ways of rewarding employees (Schleicher *et al.*, 2018). Leonard & Hilgert (2016:400) argue that performance bonus compensate employee for achieving corporate goals and performing beyond targeted. This can be in the form of special cash awards, bonuses for meeting performance targets, incentive bonuses and profit sharing.

On the contrary, Bussin (2013:131) contend that financial incentives are not always an adequate measure of reward to motivate employees toward excellent performance. An organisation is therefore required to find more creative ways to recognise good performance besides financial rewards. Schraeder & Jordan (2011) strongly feel that the most common rewards that can be applied are: increased autonomy to organise one's own work; acknowledgement and recognition of performance in official publications or other publicity material; and recognition of specific achievements or innovations in public. Pulakos *et al.* (2019) argue that institutions could provide non-financial rewards, such as vacations with pay, holidays, retirement plans, insurance and health programmes, tuition-aid programmes and employee assistance programmes. Supported by Schraeder & Jordan (2011) that mostly important organisations should select reward that employee perceive valuable. Critically is that reward system should be based on both individual performance and the team's performance to encourage honest feedback from team members (Jiang 2010).

Recognition, the provision of opportunities to succeed, skills development and career planning, and enhancing job engagement and commitment may all serve as reward for good performance (Armstrong, 2014). This is underscored by Serrat (2017) who described non-financial rewards as a flexible administration of non-cash benefits with a monetary value, such as empowering employees to tailor their portfolio of employment terms to match their preferences, acknowledgement, balancing of work and life as well as career development. Training and development must be considered even though they have shown satisfactory performance.

It is therefore deduced from the above section, that rewarding for performance is inevitable in motivating employees for performance. However other recognition to reward good performance should be explored. In order to have properly managed reward system, there should be an effective appraisal system in the organisation.

Managing unsatisfactory performance

Good PM systems ensure that not only are good performers rewarded but also that poor performers' problems are properly resolved (Vu, Plimmer, Berman, & Sabharwal, 2019). Poor performance is a concern to senior managers and line managers because it can affect the overall

organisational performance. Vu *et al.* (2019) strongly suggest that poor performance should be dealt with through measures such as feedback, formal warnings, provision of opportunities to improve, criticism, transfers and even termination to limit the negative consequences. Management should therefore understand the nature of such causes so that corrective actions could be taken to resolve such issues. Armstrong (2014) conversely point out that improvement of performance has a lot to do with culture, providing leadership and creating the right working environment. The problems are even more difficult when the appraisal systems do not function properly (Meyer-Sahling 2012).

Armstrong (2014) proposed the five basic steps set out below to manage underperformance:

Identify and agree about the problem. Analyse the feedback and as far as possible obtain agreement from the employee about what the shortfall had been. Feedback may be provided by managers, but it can in a sense be built into the job. This takes place when employees are aware of their targets and standards, know what performance measures will be used and either receive feedback/control information automatically or have easy access to it. Employees will then be in a position to measure and assess their own performance and if they are well-motivated and well-trained, can take their own corrective action. In other words, a self-regulating feedback mechanism exists. This is a situation that managers should endeavour to create on the grounds that prevention is better than cure.

Establish the reason(s) for the shortfall. When seeking the reasons for any shortfalls, the manager should not crudely be trying to attach blame. The aim should be for the manager and employee jointly to identify the facts that have contributed to the problem. On the basis of this factual analysis, decisions can be made about what the employee or manager should do, or between two of them by working together. First it would be necessary to identify any causes that are external to the job and outside the control of either the manager or the individual. Any factors that are indeed *within* the control of the employee and/or the manager would be applicable.

Decide and agree on the action required. Action may be taken by an employee, the manager or both parties. This could include:

- the employee taking steps to improve skills or change behaviour;
- the employee changing attitudes. The challenge is that people will not change their attitudes simply because they are told to do so; they can only be helped to understand that certain changes of their behaviour could be beneficial not only to the organisation but also to themselves. Whatever action is agreed on, both parties must understand how they will know that it has succeeded. Feedback arrangements can be made, but individuals should be encouraged to monitor their own performance and take further action as required.

Resource the action. Provide the coaching, training, guidance, experience or facilities required to enable agreed actions to happen.

Monitor and provide feedback. Both managers and employees monitor performance, ensure that feedback is provided or obtained and analysed and agree on any further actions that may be necessary.

From the above it can be gathered that performance outcomes may either be satisfactory because targets were achieved, or maybe there was underperformance. Clearly, managers should deal with both the outcome of performance by rewarding good performance, or otherwise implement improvement measures for underperformance. In the next section the role-players necessary to implement an effective performance management system will be explained.

From the discussion above, it is deduced that managing poor performance forms of part of an effective PM system and there are number of ways to deal with poor performance that is proposed in order to enhance employee performance.

2.8 Role-players in the performance management and development system

This section considers the role of managers/supervisors, subordinates and human resource units in the implementation of a performance management system. According to Armstrong (2014) there are four critical groups of people in the performance management process and these are the top managers of the organisation, line managers, employees and an HR specialist. These roles will be discussed intensively below:

2.8.1 Top manager

Top managers or the leadership is to communicate goals, provide resources, express commitment and role model during implementation (Tuytens & Devos 2012). Senior management should set the tone for the right culture, based on efficient delivery of service, organised and multidisciplinary teamwork and effective communication at all levels (Van der Walddt, 2014). In order for regular quality discussions to take place, the commitment and capability of managers need to be developed and this should be an important consideration in the design and implementation of a performance management system.

Given that a manager's job is to get the highest performance out of his or her team, a key part of the job is using all available levers to keep the collective group engaged, productive, and performing. Managers also have their own motivations and advancement goals that the perception of a high performing and engaged team helps them achieve.

The main role of the senior leaders is to ensure that performance management is aligned to corporate strategy and objectives to individuals' key performance areas (Armstrong, 2014). It has been found that aligning performance and goals with organisational strategy would cause the organisation to examine the performance management structures that are in place (Bussin, 2013).

2.8.2 Supervisor

Managers or supervisors have a responsibility to recognise and reinforce strong performance in employees (Idowu, 2017). Van der Walddt (2014) hold the view that performance management needs to be owned by line managers for implementation. The managers should also identify and encourage improvement where necessary. Femi (2013) assert that managers can identify individual strengths, correct weaknesses and consider opportunities for future improvement.

On contrary, Schleicher *et al.* (2018) argue that incompetent managers who are unable to implement the PMS effectively and set unrealistic performance target inhibit production. Femi(2013) believe that performance management requires managers to know performance activities and desired outputs by providing feedback in meeting employees expectations. As

mentioned earlier when discussing the review phase, the performance management should be viewed as a two-way discussion that continues throughout the year. The following are the key roles and responsibilities that a supervisor is to uphold:

- Use the performance management process as a valuable tool for supporting employee development and improvement. If employees detect that the manager has lost interest in the work, employees will feel the same. The process inside the organisation should be communicated with zeal and encourage employees to take ownership.
- Use the annual performance review meetings to review the achievements, setbacks, developments and training that have already been discussed throughout the year (Idowu, 2017).

The critical point made by Baloyi, Van Waveren & Chan (2014:87) is that supervisors should support and act as mediators in the relationship between the PMS and employee job satisfaction. Another vital role played by the supervisor is coaching and mentoring the employees. Aguinis *et al.* (2013) agree that a supervisor should serve as a coach by helping employees solve performance problems, identify performance weaknesses and design development plans. Coaching is an ongoing process which means that the manager directs, motivates and rewards employee behaviour. Importantly is to be able to change managerial style to accommodate needs of the employees (Aguinis *et al.*, 2013).

According to Weimei & Feng-e (2012), managers should provide guidance regarding the implementation of the PMS by supervising their subordinates, observing and recording performance and keeping the information for referral purposes. Moreover, management should encourage employees to suggest creative ideas and make suggestions for work improvements. In addition, aspects that should be considered is inclusion of auditing and investigation after the implementation to check whether government policies are taken into consideration.

As discussed above in the performance management cycle, the process runs through the year, which means meetings are held throughout the year with employees. Open communication is therefore encouraged between managers and subordinates. This role of the managers may, however, cause uncomfortable challenges and raise fears in managers. Aguinis (2013:918) pointed

out that managers or supervisors managing employee performance often feel uncomfortable in their role, due to requirement of being a judge and mentor at the same time.

This section highlighted the important role that a supervisors or manager play in the performance management cycle. Effective managers should demonstrate the ability to guide the employees as to what should be achieved, to observe and document performance accurately and to give feedback. Open communication plays a vital role, but managers should, however, possess the appropriate skills to deal with uncomfortable challenges in carrying out reviews during the cycle. In the process, managers play the role of judge and coach at the time, which requires them to deal with two processes effectively.

2.8.3 Subordinates

Performance Management involves the day-to-day management and development of people. Therefore, a committed and visionary workforce is necessary for effective implementation of PMS in any organisation. According to Aguinis *et al.* (2013:22) employees should understand and support the performance management system by:

- Being willing to participate in the setting of performance expectations for standards;
- Being reasonable in their acceptance of performance feedback from their superiors and should assess themselves realistically;
- Calling attention to biases, inaccuracies and job changes that signal changes in the system; and
- Articulate their views clearly and take responsibility for performance improvement.

2.8.4 Human resource unit

The human resource (HR) unit takes overall responsibility for the administration of a formal performance management system by coordinating the performance management processes for the entire organisation. The majority of performance management systems are designed and implemented by internal HR professionals (Gorman, Meriac, Roch, Ray, & Gamble, 2017), which requires them to have expertise. For HR unit to functions effectively, Vu *et al.* (2019) argue that HR professional should have: (i) insight into the organisation's operations (knowledge of

business); (ii) expertise (knowledge and skills) in the HRM area; and (iii) competency to manage change processes.

Expertise and proficiency in Human Resources Management (HRM) area such as: knowledge of motivation theories and skills about job analysis, appraisal, development, rewarding and handling difficult employees are critical in the effective implementation of Performance management. Accordingly, an organisation tends to introduce more effective and workable HRM practices when HR professionals are competent and understand effective HRM system characteristics (Gorman *et al.*, 2017). Consequently, HR units' low status and limited competence have impeded the effective implementation of employee PM (Liu and Dong 2012).

DPSA (2016) state that PMDS is generally applied inconsistently and unfairly because of lack of implementation support from Human Resources Management (HRM) components and non-compliance has been assessed repeatedly which resulted in appeals. It is concluded therefore the competent HR unit plays a core role in the effective implementation of performance management system as they are the driver of the system.

2.9 Criteria for effective performance management

Organisations require unique qualities and commitment from employees to enable them to deliver better quality of work in less time to make it possible for the organisation to survive increasing demands (Du Brin, 2013). Vu *et al.* (2019) advocate that in order to have an effective performance management the following are critical:

- Employee contributions are to be linked to the goals of the organization by clarifying relevant roles. Employee should be encourage to their best to attain results and agreements are entered into.
- Feedbacks are conducted timely, specific and are based on credible sources.
- A reward system is in place for reward good performance
- An effective appraisal system to deal with poor performance

On the other hand, Armstrong (2012) advocate that active performance management contributed to the personal development and growth of the employees in the organisation. Table 2.4 below outlines the criteria proposed by Aguinis (2013) & Bussin (2013) in assessing the effectiveness of performance management in an organisation.

Table 2.2 Criteria for effective Performance Management

Strategic Alignment	<ul style="list-style-type: none"> • Alignment of individual performance agreement with organisation's objectives
Human Resource Planning	<ul style="list-style-type: none"> • Linkage of HR Planning to performance management and development
Development and empowerment of employees	<ul style="list-style-type: none"> • Employees take responsibility for performance • Employees formal/informal training • Coaching and mentoring
Continuous Monitor and Review	<ul style="list-style-type: none"> • Measuring of progress in achieving target • Manager/supervisor provides feedback and support • Review targets if necessary
Communication	<ul style="list-style-type: none"> • Feedback on the performance • What is expected/target to be achieved

Source: Aguinis (2013) & Bussin (2013)

The alignment of employees' performance with the objectives of the organisation is the first step towards the success of performance management system. Employees should focus on both the objectives of the job and overall organisational goals and objectives. An employee should be aware of the organisational strategies and as well as measurable objectives. A good system would provide employees with information in order to identify effective and ineffective performance (Aguinis, 2013). Further, the importance of communicating what is to be achieved and how it is to be achieved is crucial (Schleicher *et al.*, 2018). This would determine how to set targets and goals and to attain personal development in order to achieve organisational goals. Employees should receive timely, constructive and frequent feedback about their current performance to enhance future success (Kinicki *et al.*, 2013).

- Aguinis (2013) & Bussin (2013) argue that in order to effectively facilitate the link between organisational objectives and employee behaviour, performance management should firstly be aligned with and linked to all aspects of HR planning. This means that employees' performance agreements should reflect the departmental strategy and operational plans. In addition, Armstrong (2014) emphasis that the planning phase was based on an "analysis of past", reflecting the performance of the organisation in order to set realistic targets to be achieved. As advocated by DPSA (2016) that PMS framework to be implemented by organisations should align strategic goals to employees' targets.
- Secondly, strategic human resource planning is to be linked to a Performance Management & Development Plan(PMDP) where the HR plans should identify core competencies and developmental needs of the department (Bussin, 2013; Jain & Gautam, 2014). If there is under-performance, the outcome of performance reviews becomes the basis for employee development plans.
- Thirdly, for performance management to be effective, employees should take responsibility for their results and should be given space for ongoing learning and development. Employees play an active role in developing performance agreements and should also identify areas to be developed (Armstrong, 2010). The PA and its review are used to provide feedback and to assist managers to find ways of continuous improvement regarding targeted objectives. The managers use such interaction and feedback to know what formal and informal training to provide for employees or subordinates. As mentioned earlier, one of the roles of managers is to coach and mentor.

The system should be designed in such a way that that job responsibilities of employees and managers can be evaluated (Aguinis et al., 2013) and this evaluation should include performance throughout the entire review period. In order to identify barriers in achieving performance objectives, consistent employee performance monitoring should take place throughout the entire process (Bussin, 2013:113). Monitoring performance by using reviews between managers and employees plays a critical role. According to Bussin (2013) & Armstrong (2014) there should be review meetings with the aim of providing an employee with the opportunity to assess his/her

performance in relation to organisational goals. Reviews should provide an opportunity for the supervisor to give feedback to the employee and to identify areas of improvement. From these sessions, it is important to reach a level of agreement on the scores that reflect performance in relation to key performance areas.

For any performance system to be effective, communication is key for the employees to understand the strategic goals of the organisation. It should be clear what is expected to be able to contribute towards the achievement of the departmental goals. Open communication enables organisations to inform employees regarding all matters concerning the performance and culture and also to provide employees with the opportunity for upward communication to voice their needs (Vu *et al.*, 2019).

Every organisation needs to ensure that the performance management framework that is implemented would enable employees to learn from the outcome their performance (Kinicki, *et al.*, 2013). This in turn will inform future planning and decision-making. The system used should also be effective for managing poor or unacceptable performance as discussed in section 2.73 of this study.

Bussin (2013) emphasise that communication is critical to performance management and development. Ongoing communication is a process where both supervisor/manager and subordinates work together with the aim of sharing information about the work progress, challenges and possible solutions (Hassan, 2016; Kearney, 2018).

If it is argued that in order for PM to be effective, it should be clear and easily understood what information is being shared and what to do with it (Vu *et al.*, 2019 ; Pulakos *et al.*, 2019). The ongoing performance communication allows supervisors/managers to be aware of the barriers and constraints employees face in order to achieve the performance measures. Therefore consistent feedback would prevent negative effects of formal reviews where an employee would feel that the process was undertaken to catch them out for their poor performance.

To reiterate, many factors will impact the effectiveness of an organisation's performance management system, but four are most important:

- Firstly, the system needs to be aligned with a strategic plan and operational plans for the organisation. It should support the objectives of the organisation and how to achieve them.
- Secondly, “well-developed, efficiently administered tools and processes are needed to make the system user-friendly and well-received by organisational members”.
- Thirdly, and most important, is that both managers and employees must use the system in a manner that brings visible, value-added benefits in the areas of performance planning, performance development, feedback and achieving results.
- On going communication allows for smooth operation and openness

2.10 Performance management systems (PMS) in the public sector

To date, there are various definitions of PMS in the literature. For example, Pulakos *et al.*, 2019:259) mentioned that a performance management system (PMS) is “an integrated, systematic approach to improve results of people efforts by which employee's performance can be improved by ensuring appropriated recognition and reward for their efforts and by improving communication, learning and working management”. Armstrong (2010) sees it a continuous process of identifying, measuring and developing the performance of individuals and teams and aligning performance with the strategic goals of the organisation.

Stalinski & Downey (2012) contend that the purpose of a performance management system is to “identify, define and promote the use of the best management practices and defining roles and performance standards to enable the annual monitoring of performance”. It is viewed as a set of interrelated activities and processes that are treated holistically as integrated and key components of the organisation's approach to managing the performance of employees through developing the skills and capabilities of its human capital in order to enhance organisational capability and the achievement of sustained competitive advantage (Kinicki *et al.*, 2013).

While performance management is a formal, systematic process by which job-relevant strengths and weaknesses of employees are identified, measured, recorded and developed, the PMS gives guidance on how this should be done from side of goal-setting, measuring performance and regular assessments. The PMS is concerned not only with what is achieved, but also with how it was achieved (Armstrong, 2014).

From the various authors' definitions of the PMS, this study will adopt the definition of PMS as being an integrated system and continuous process to measure performance of the institution and that of its personnel. Further it is understood that performance management could be considered as a system that provides the link between the strategic objectives of a department and actual performance of an individual.

Since 2001, the Department of Public service and Administration (DPSA, 2016) has extensively played a vital role in development policies for the implementation of the performance management system within the public sector. In order to provide policy measures and guidelines for effective and efficient implementation of performance management within the government departments, department of Planning, monitoring and evaluation under study developed its policy.

The PMDS aims to enhance individual employee competence through identifying outputs relating to training and development needs (DPME, 2016). The link between performance management and training and development is vital. The training needs are based on what the employees need in order to perform their work. Without the part of Development and Training, PMS will not be effective. According to Armstrong (2014), performance management process ensures that employees are properly supervised, are correctly placed, promotions and transfers are used to benefit both the department and the individual employee and careers are systematically developed.

2.11 Factors for an effective performance management system

To be able set performance targets, setting of performance standards and an evaluation system is critical for the effectiveness of the PMS (Van der Walt, 2014:94). Although many organisations

have adopted the concept and process of PM, there is little knowledge of the actual mechanisms which have positive effects on the success of performance management.

An important factor mentioned by Van der Walt (2014) was the alignment among various organisational systems. On the contrary, Vu, *et al.* (2019) advocate that for any PMS to be implemented effectively, it should assist managers from the evidence gathered to make decisions to reward success and take corrective action to avoid replicating failure.

Secondly, organisational effectiveness requires that an organisational culture, strategy, environment and technology be aligned with the organisation's goals and the stronger this is, the more the culture will be congruent with other variables (Robbins & Barnwell, 2015:6).

Armstrong (2014:34) argue that good performance management would be achieved if everyone was clear about corporate goals and that objectives were SMART (Specific, Measurable, Achievable, Relevant, Time-related). The performance management system places the emphasis on the conversation between managers and employees, whereby feedback is exchanged and coaching is provided (Aguinis *et al.*, 2013:504).

Lastly, the importance of a personal development plan (PDP) is critical in a good performance management system to help self-developmental activities and/or improve performance (Armstrong, 2014:28). This would allow the employee to undergo the training needed to achieve the organisation goals. An effective PMS therefore aligns individual performance with the organisation's mission, vision and objectives.

2.12 Summary and conclusion

This chapter presented the scope of performance management, processes and implementation, showing that in order for a PM to add value to any organisation, comprehensive systems and tools are to be developed. It can be concluded that performance management is a shared responsibility where employee performance plays an important role in achieving the organisational goals. It was shown that integrated systems with monitoring and evaluation systems were necessary for enhancing the survival and effectiveness of an organisation. Different performance management

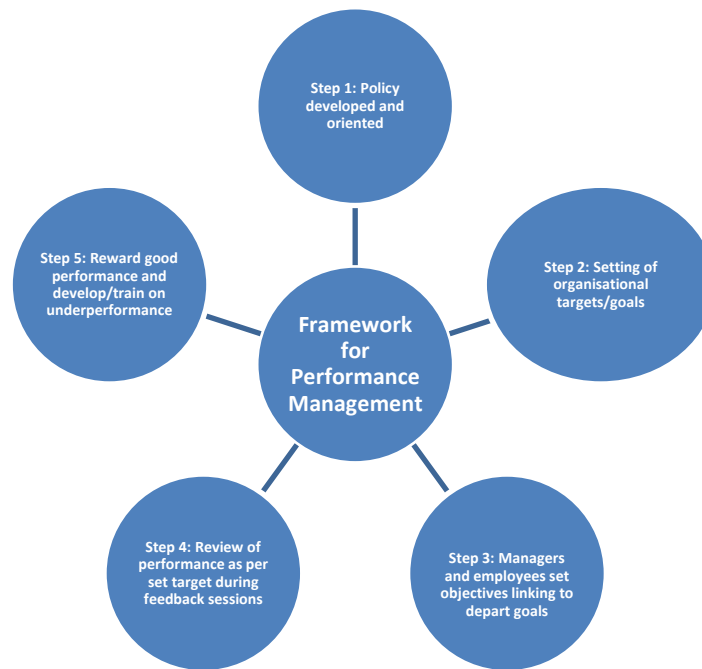
services of quality are to be improved by the public sector. Services that are delivered should be efficient, effective and offer value for money.

The goal-theory and expectancy theory motivated employees to achieve performance and were discussed, with their limitations. The two motivation theories (expectancy and goal-setting) revealed that it was important for management to consider employees' expectations in order to motivate performance and to engage employees in setting the organisational goals.

It was shown that the purpose of performance management was to measure, motivate, evaluate, empower and reward the employees. Creating a culture of learning in the organisation is vital. Benefits of a performance management system revealed that management and employees deduced advantages in the effective implementation of the system. In view of more advantages shown, there are, however, still challenges that public service managers should find ways to mitigate. A system that ensures maximum performance in order to achieve desired results should be adopted in the public sector.

The cycle of the process that included planning, ongoing feedback, performance reviews and evaluation was discussed. The outcomes of performance management might be satisfactory or unsatisfactory and thus should be managed properly, regardless of this, with the aim to better achieve the measurable targets of the organisation. Different elements that contribute to the effectiveness and ideals of the implementation of a performance management system were discussed. It was further concluded that for a PMS to be effective, various roles were to be played by management, supervisors and subordinates. At the centre of the PMS lies the importance of ongoing feedback on performance and what training interventions are to be used to remedy the under-performance of employees. Figure 2.3 below, presenting the Framework for Performance Management, outlines the framework that the department might follow to assess whether the PMS utilised was effectively implemented.

Figure 2.3: Framework for Performance Management



The objective of this chapter was to present a literature review of published research dealing with the implementation of a performance management system. The guidance framework in the implementation of the performance management system is regulated by various pieces of legislation, which will be discussed in the next section.

CHAPTER 3: THE LEGISLATIVE FRAMEWORK FOR PERFORMANCE MANAGEMENT IN SOUTH AFRICA

The previous section covered the literature which placed performance management and the performance management system (PMS) in context, whereas this chapter will provide information regarding the legislative frameworks that govern performance management in the South African public sector.

The policy framework for transforming the public service and the new public service regulations represent a new approach to performance management and development. The public sector, within the legal framework, provides guidelines to carry out the mandated duties which involve the following focus:

- What is to be achieved in the public interest;
- Building integrated structures, systems and processes to manage and achieve public interest;
- The roles and responsibilities in achieving the objectives; and
- Promoting an accountable public sector.

A number of legislative frameworks regulate performance management in the public sector space. However, the following legislation and policy guidelines will be reviewed to provide a legislative context for performance management in the South African public service:

- The Public Service Act, 1994 as amended (Act 30 of 2007);
- The Labour Relations Act, 1995 (Act 66 OF 1995);
- The Constitution of the Republic of South Africa, 1996;
- The White Paper on Transformation of Public Service Delivery (Batho Pele) (1997);
- The White Paper on Human Resources Management in the Public Service of 1997;
- Public Service Coordinating Bargaining Council Resolution 13 of 1998; and
- The Public Finance Management Act, 1999 (Act 1 of 1999); and
- Public Service Regulations, 2016.
- The skills Developmen Act, 1998.

- Batho Pele Principles

3.1 The Constitution of South Africa

The Constitution of the Republic of South Africa (1996) (hereafter referred to as the Constitution) clearly outlines the accountability of public administration. The requirements set for the public service in terms of Section 195 of the 1996 Constitution, among other things, is that good human resources management and career development practices must be cultivated to maximise human potential. In terms of Section 195(1) the Constitution (Republic of South Africa, 1996) emphasises the concept of performance management and highlights the following practices:

- 1) The public service must be development-oriented;
- 2) There must be accountable public administration;
- 3) Information should be provided in a transparent way; and
- 4) Government should be responsible for people's needs.

Section 41 (c) of the Constitution lays emphasis on the fact that all of the principles mentioned are applicable to all spheres of government and administration, organs of state and public entities. Performance management, particularly of employee performance, is a human resource management issue which ensures that goals and objectives are achieved by an organisation. All legislation and policy provisions should at all times be informed by the Constitution as the supreme law of the land.

3.2 The White Paper on Transformation of Public Service Delivery (1997)

The White Paper on Transformation of Public Service Delivery (Batho Pele) (Republic of South Africa, 1997) hereafter referred to as WPTPS, provided eight principles of providing good service to the public. The main reason the White Paper on Human Resource Management in the Public Service of 1997 was introduced was to produce a diverse, competent and well managed workforce which is capable of and committed to delivering quality services to the people of South Africa (DPSA, 2016:2). The White Paper stipulates that if an employee is not satisfied with the final assessment, such an employee may be given a chance to appeal the decision, and this embodied in the principles of the PMS. Ensuring fairness and objectivity can be done through intervention by the immediate supervisor or the manager.

The White Paper also provides a guideline that facilitates the development of human management practices to support an effective and efficient public service geared towards economic and social transformation. It is therefore crucial to note that transformation of the public services has to include the transformation of human resource practices in order to be effective. Therefore, performance management of human resources is paramount if an effective transformation of the public service is to be achieved.

Armstrong (2012) concur with the principles in the White Paper and highlight other notions such as accommodating diverse cultures and values in order to have effective performance management. According to White Paper, there must be a workplan that covers a specific period explaining the employee's responsibilities which are designed according to the strategic objectives to be achieved. And this workplan must be followed by performance reviews of all employees on a regular basis

Batho Pele was introduced in order to improve the customer service within government sector. It is an approach to get public servants committed to serving people and to find ways to improve service delivery. This approach also requires the involvement of the public in holding the Public Service accountable for the quality of service provided. Batho Pele is also about moving the Public Service from a rules-bound approach that hinders the delivery of services to an approach that encourages innovation and is results driven.

Managers in public service have a key role to play in creating an environment for their staff to become effective in the way they interact with customers. This requires that they focus on motivating staff, ensure that they have the right tools to do their work and provide ongoing support especially at times when staff are under pressure and stress. Therefore PMS is the tool to drive the effectiveness of the both managers and employees in an organisation.

Batho Pele is based on the following eight principles:

- Consultation: citizens should be consulted about their needs
- Standards: all citizens should know what service to expect

- Redress: all citizens should be offered an apology and solution when standards are not met
- Access: all citizens should have equal access to services
- Courtesy: all citizens should be treated courteously
- Information: all citizens are entitled to full, accurate information

Van der Walddt (2014) argue that these principles could be realised if four issues were taken into account, namely:

- Improvement in the government system, processes and institutional structure that collectively make service delivery possible;
- Interfaces between government and the public;
- Promotion of communication within government about service delivery transformation and the critical role the public service plays in the lives of citizens; and
- Focus on external communication.

The paper further ensures that service delivery is constantly improving in all departments by outlining their specific principles in the short- and long-term plans. When performance is being managed properly it contributes to the overall service delivery. Through performance management not only will service delivery be improved but attitudes, procedures and behaviour also change.

3.3 The Public Finance Management Act, 1999 (Act 1 of 1999)

The Public Finance Management Act, 1999 (Act 1 of 1999), hereafter referred to as the PFMA, regulates financial management in public entities, national and provincial departments and also ensures that assets, revenue and expenditure are managed effectively and efficiency. Each manager is responsible to manager their allocated budget with forms part of the PMS monitoring. In order for PMS to be effective, each manager should monitor allocated budget.

In terms of section 38 (1) of PFMA, the Accounting officer is responsible for the effective, efficient and economic use of public resources. The Act stipulated that performance measurements should receive special attention in the public service. Accounting Officers through Chief Financial Officers (CFO) have the primary responsibility of implementing performance measures.

3.4 The Public Service Act, 1994 (Act 103 of 1994)

The Public Service Act, 1994 (hereafter referred to as the PSA) provides an outline on how Public Services in South Africa are to be regulated and the conditions of employment in the public sector. Although this piece of legislation does not directly refer to individual performance management in the public sector, such issues are dealt with in recruiting the right capacity in the public sector that will perform to the optimal expectation. This may be realised only if the entire public sector has an efficient performance management system.

Section 11(2) (b) states that training, skills, competence and knowledge must be taken into account when people are considered for appointment in the public service. This implies that proper mechanisms should be in place to ensure optimal performance by those recruited. The Constitutional mandate (Clause 85) outlines the responsibility of different parties in the process of performance management, including the executing authority (Ministers in national departments or Members of Executive Councils in provincial departments, senior management and the supervisors).

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Members of Executive Councils in provincial departments, senior management and the supervisors).

3.6 Public Service Regulations, 2016

Public Service Regulations, 2016 came into effect as from 1 August 2016 due to the revision of the Public Service Amendment Act 2007 that regulated the employment conditions of officials that are being recruited by the public service in South Africa.

Part 5, Regulation 71-73, emphasises the importance of managing performance in the public sector in a more consultative and non-discriminatory way to improve the organisation's efficiency. Section B outlines performance systems to be determined by the executive authority by which employees will be developed. The Regulation provides more guidance to executive authorities on systems for assessing performance of the employees.

In addition, communication of the performance outcome by the supervisor/manager to the employee is critically important. Agreement has to be reached about improvement plans if unsatisfactory performance has been detected. A system to deal with performance management should also be put in place. There should further be a reward mechanism for good performance in the department. It is important that performance of employees in the public service should always be of a high standard in order to balance the ever-increasing public needs and demands with the available resources. The regulation also encourages suggestions from employees on improving the efficiency of the system. The state, however, has the right to use any suggestions or improvements suggested. Public service institutions should ensure that they enhance results-oriented institutional efficiency as well as accountability in the use of resources.

All performance management programmes should be directed at ensuring that more and better services are delivered at the lowest possible cost (Public service institutions should ensure that they enhance results-oriented institutional efficiency as well as accountability in the use of resources. All performance management programmes should be directed at ensuring that more and better services are delivered at the lowest possible cost (Van der Waldt, 2004: 93). It is important

that performance of employees in the public service is always high in order to balance the ever-increasing public needs and demands with the available resources.

3.7 The White Paper on Human Resource Management in the Public Service (1997)

The aim of the introduction of human resources was to ensure that service delivery would be enhanced within an environment characterised by employment justice, cultural diversity and transparency. The paper advocates that in order for government to achieve the set goals, transformation of the public service is necessary. It further lays emphasis on the main changes that human resource management within public service should undergo, that can be set out as follows:

- Delegation of managerial responsibility and authority to national departments and provincial administration;
- Development of a service-delivery-oriented, multi-skilled and multi-cultural workforce;
- A drive for efficiency and effectiveness; and
- Creating a flexible environment that takes into consideration the needs of the organisation and employees.

The core purpose of the framework is to govern human resources to become the strategic instrument to achieve economic and social transformation. The paper advocates that managing the performance of employees is the key for the public service in delivering its operations and developmental goals. It is important that employees know what is expected of them in order to perform optimally. Managers are encouraged to ensure that employees' performance in service delivery is reflected in the key objectives of the organisation. Poor performance is to be identified and improved, whereas good performance is to be rewarded. The paper further advocates that proper procedures for performance management should be adopted and implemented. The procedures should include results-oriented training and development, rewarding good performance, managing poor performance as well as openness and fairness regarding objectives.

Procedures used by each organisation should take into account the above (White Paper, 1997). The delivery of the services to communities cannot be achieved in isolation from other management functions within the public service (Banfield, Kay & Roules, 2018:288). It is argued in the study that for effective implementation of Performance Management to be realised, individual performance plays an important role. Van der Walt (2014) concur that diversity of culture and

values was important in effective performance. It is therefore crucial to note that transformation of the public service should include the transformation of human resource practices in order to be effective. The performance management of human resources is paramount if an effective transformation of the public service is to be achieved.

3.8 Human resource legislation

The following pieces of legislation play a major role in the implementation of effective performance management in the public sector and can be discussed as follows:

3.8.1 The Labour Relations Act, 1995 (Act 66 of 1995)

Promoting employee participation in decision-making in the workplace has a positive effect on how employees contribute to the overall performance of the organisation. A performance management process must be legally sound to avoid unnecessary litigation. The core of the existence of the Labour Relations Act is to advance economic development and social justice and to maintain peace and the democratisation of the workplace. To have an effective and committed workforce that would contribute to economic development, which performance management seeks to achieve, the employees should enjoy fair labour practice.

Schedule eight of the Labour Relation Act, 1995 (Act 66 of 1995) makes a provision for the management of incapacities of employees and poor performance. Maila (2006:26) is critical of the Labour Relations Act, 1995 (Act 66 of 1995) in that it makes it impossible to dismiss an employee solely because such an employee has not reached the set performance targets. The dismissal of an employee should be the last resort after corrective action and investigation have been conducted. According to Van der Walt (2014:94), a performance management system should be developmental in nature, which allows for effective remedies for consistent inadequate performance. Good performance should, however, be rewarded (Byars & Rue, 2006:245).

3.8.2 The Skills Development Act (Act 97 of 1998)

According to the preamble of the Skills Development Act the overall objective of this Act is to improve and develop the skills of the South African workforce. One of the important areas advocated by the PMS is the development of the employees in those areas identified as gaps in

achieving targeted work or in poor performance. According to Section 2 (1) of the Skills Development Act, 1998 (Act 97 of 1998) emphasis should be placed on employee development in order to ensure good and effective performance of employees in the institution. A skills audit is necessary to determine the gaps between the job requirements of a PMS. Of particular importance is that Section 30 of the Skills Development Act prescribes that public service institutions are mandated to budget at least 1% of their payroll for training and development of officials. The training and development of public service employees take place with the aim of enhancing their skills and performance.

3.8.3 The Public Service Coordinating Bargaining Council Resolution 13 of 1998

The Public Service Coordinating Bargaining Council Resolution 13 of 1998 (hereafter referred to PSCBS Resolution) sets the framework for senior managers to enter into individual performance agreements. The agreement must include key responsibilities and priorities and provide measurements for assessing performance. The framework also advocates ongoing communication between the parties in the agreement as well as the need for the senior manager to provide support. The timeframes for the assessment should be specified and known to the parties. The framework outlines how to deal with resolution of disputes in the event that the employee and manager do not agree on the assessment. Rewarding good performance by means of acceptable annual increases is also encouraged. All departments are encouraged by the DPSA to develop a PMS policy. Performance agreement generally runs from 1 July to 30 June every year (DPSA, 2016). At the core of the effective PMS is communication between employees and managers.

The legislative framework that guides the development and implementation of a PMS in the public sector is summarised in the diagram below:

LEGISLATIVE FRAMEWORK GOVENING PERFORMANCE MANAGEMENT IN THE PUBLIC SECTOR

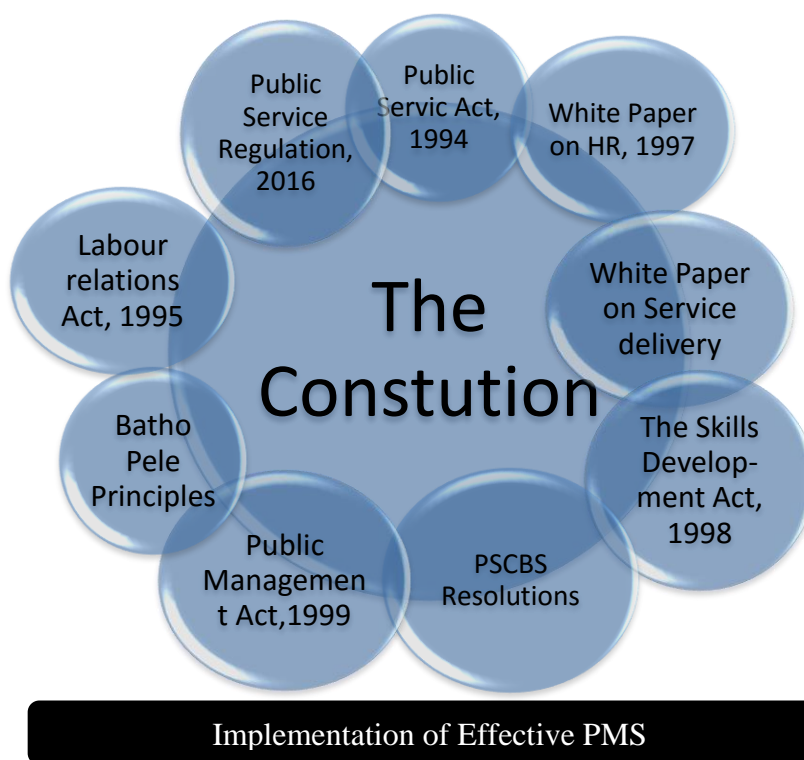


Figure 3.1 Legislative Framework for a PMS in the Public Sector

3.9 Conclusion

This chapter outlined and discussed several pieces of South African legislative and regulatory framework of the performance management system that provides guidance on individual performance within an organisation. It was shown that the Constitution of the Republic of South Africa (1996) as the supreme law of the land regulates all pieces of legislation that governs PMS in the public sector. It outlines community service delivery as the core of existence and primary responsibility of the public sector. The concept of PMS is linked to Section 195(1) of the Constitution and it is advocated that the public sector should be developmental, transparent, accountable and responsive in order to promote performance management. The White Paper on Transmission and Public Service Delivery (Batho Pele) (Republic of South Africa, 1997) was

considered and revealed the eight critical principles for good customer values that enhance the public service delivery goals. The purpose is to have a capable and efficient workforce that will perform work as expected guided by eight Batho Pele principles.

It was deduced that performance management of human resources is paramount if an effective transformation of the public service is to be achieved. It is reviewed that in order to have effective and productive organisations, managers have a key role to play in creating an environment for their staff to become effective in the way they interact with customers. Training and development of the staff and ensuring appropriate tools to do their work is important.

The PFMA also plays a significant role in the ultimate performance management as public sector resources are to be managed effectively and efficient through PMS. The White Paper on HR advocated proper procedures on performance management to be implemented. From the discussion, it is deduced that in order to have proper PM in an organisation, management of human resource is key to achieve a desired transformation of public service. It was discussed and revealed that in order to have effective and committed workforce that would be productive, employees should enjoy fair labour practices, hence Labour Relations Act guides the success implementation of the PMS practice. One of the pillars of the good PMS is to be able to identify skills gap and develop in those areas.

The PSC Regulations, as amended, outlined the management of performance in the public sector to be more consultative. It was further discussed that the Human Resource Unit played an important role in effective implementation of the PMS. The Public Service Coordinating Bargaining Council (PSCBC) resolution provides guidance to public managers on managing and monitoring the performance management cycle.

A PMS in the public sector should be legally sound to deliver services effectively and efficiently to the community. The Constitution as the supreme law of the country mandates a number of other laws as illustrated in Figure 3.1. It is therefore critical that public sector departments should adhere to these legislative frameworks in order to successfully implement the PMS. In terms of South

African policies and guidelines to develop and implement a PMS, the DPME adopted the PMDS policy guided amongst by all the legislation discussed above.

In the next section, the implementation of the adopted PMDS policy as a guideline at the DPME and the practice of performance management in this organisation will be discussed.

CHAPTER 4: A CASE STUDY – THE PERFORMANCE MANAGEMENT SYSTEM PRACTICE AND POLICY AT THE DPME

4.1 Introduction

While in the previous chapter, the legislative and regulatory framework that guides the implementation of the performance management in the public sector were discussed, specifically regarding individual performance, this chapter will explore the application of the performance management system (PMS) and its implementation at Department of Performance, Monitoring and Evaluation (DPME). Several legislative frameworks were put in place to maximise accountability of the public sector by using the performance management system. The Constitution of South Africa is also one of the founding legal prescripts from which the PMS emanated, that is, in Section 95 that provides for the efficient, economic and effective use of resources in the public service (Republic of South Africa, 1996).

The DPME performance management system policy provides a standardised framework for employee performance. The policy goals and objectives will be presented to understand the framework that guides the implementation. The goals and objectives of the DPME are aligned to the “performance agreements of the officials to realise the desired results” (DPME, 2016). However, some of the challenges that are experienced are that employees place much more focus on performance incentives, i.e. performance bonuses at the end of the financial year, and lose focus of the aim and purpose of performance management to improve their performance and that of the department towards service delivery (DPME, 2016:12)

4.2 Establishment of the DPME

The DPME was established in 2014 after the national election by means of a merger between the Department of Performance, Monitoring and Evaluation and the National Planning Secretariat with responsibility to coordinate planning in all sectors of the department, to monitor and evaluate their organisational performance from the centre of Government (DPME, 2016:15). The aim in establishing the DPME was to introduce a renewal system for the three functions of planning, monitoring and evaluation. The DPME is mainly focused on a government-wide role in M&E, assessing management performance, supporting the national evaluation system and developing

planning and monitoring capacity (DPME, 2016). The department does not have specifically established legislation, but draws its mandate from the following legislation and policies:

- The Constitution of the Republic of South Africa, 1996;
- Proclamation no. 47 of July 2014;
- The National Development Plan 2013 – Our future makes it work ;
- The Green paper on National Strategic Planning ;
- The Framework for Strategic Plans and Annual Performance Plans;
- The Policy Framework for the Government-wide Monitoring and Evaluation System ;
- Improving Government Performance: Our Approach ; and
- Cabinet decisions.

In March 2018 a planning, monitoring and evaluation bill was tabled in Parliament in order to institutionalise its mandate and to address and remedy the disparities and fragmentation in systems of planning, evaluation and monitoring across Government, in which all plans in all spheres were aligned to the National Development Plan. This plan, the NDP, was adopted by Cabinet in 2012 as the visionary blueprint of government with the following five key elements (DPME, 2016:12):

- Inclusive social and economic development;
- Sustainable investment and growth;
- Decent jobs and sustainable livelihoods;
- A capable development state; and
- Expanding opportunities.

The NDP aims to integrate planning and to ensure greater policy coherence in government, thus building a common vision of what South Africa could look like in 2030. Designed as a broad set of programmatic interventions, the NDP proposed a “virtuous cycle” of growth and development while reducing poverty and inequality. The enablers are strong leadership throughout society, national consensus, social cohesion and a capable state.

Giving effect to the longer range planning period of the NDP is a series of 5-year Medium-Term Strategic Frameworks (MTSFs); of which the MTSF 2014 - 2019 was the first of three such Frameworks following the adoption of the NDP in 2012 and towards the 2030 vision. Departmental strategic plans should then contain and unpack relevant MTSF commitments, but

also contain additional commitments not in the MTSF. It is therefore crucial for the DPME to have an effective PMS in order to effectively achieve its target in the terms of the National Development Plan. In terms of the South African policies and legislation that provide implementation of the performance development management System, the DPME adopted the policy for a performance management development system guided by the all the regulatory framework as discussed in Chapter 3 of this thesis.

4.3 Vision, mission and mandate

Without the strong values that are influenced by a vision and core of existence, organisations cannot become successful. An organisation explains itself to its employees or customers in its mission. Further, by formulating strong ethical values that form the foundation and individual steps, a mission can be stated and understood. The vision of the DPME is, to “have improved government outcomes and impact on society” (DPME: 2015). The mission states how the department will achieve the vision by facilitating, influencing and supporting effective planning, monitoring and evaluation of government programmes aimed at improving service delivery, outcome and impact on society” (DPME, 2015:8).

The DPME has a political head who is a member of the National Cabinet (Minister). The role of the department is to coordinate planning and to monitor performance in all spheres of government. The effective implementation of the PMS is therefore critical in order to carry the strategic objective of the department.

4.4 Organisational environment of the DPME

The department was established in 2014, but during a strategy review exercise in 2016/17 financial year the organisational arrangement was found to be inadequate to address or respond to the service delivery challenges (DPME, 2016:10). The department is also reliant on evidence coming from stakeholder departments to validate performance data against the fourteen (14) priority outcomes of government. Owing to the factors mentioned, the department revised its organisational structure and its implementation started in the 2018/19 financial year. According to the DPME (2017:15), the department focus to a greater extent on refining the operating model and creating capacity by recruiting critical skills to implement, monitor and evaluate government programmes. This

structure will, however, be implemented in phases over the medium-term expenditure within the three years between 2019 and 2021.

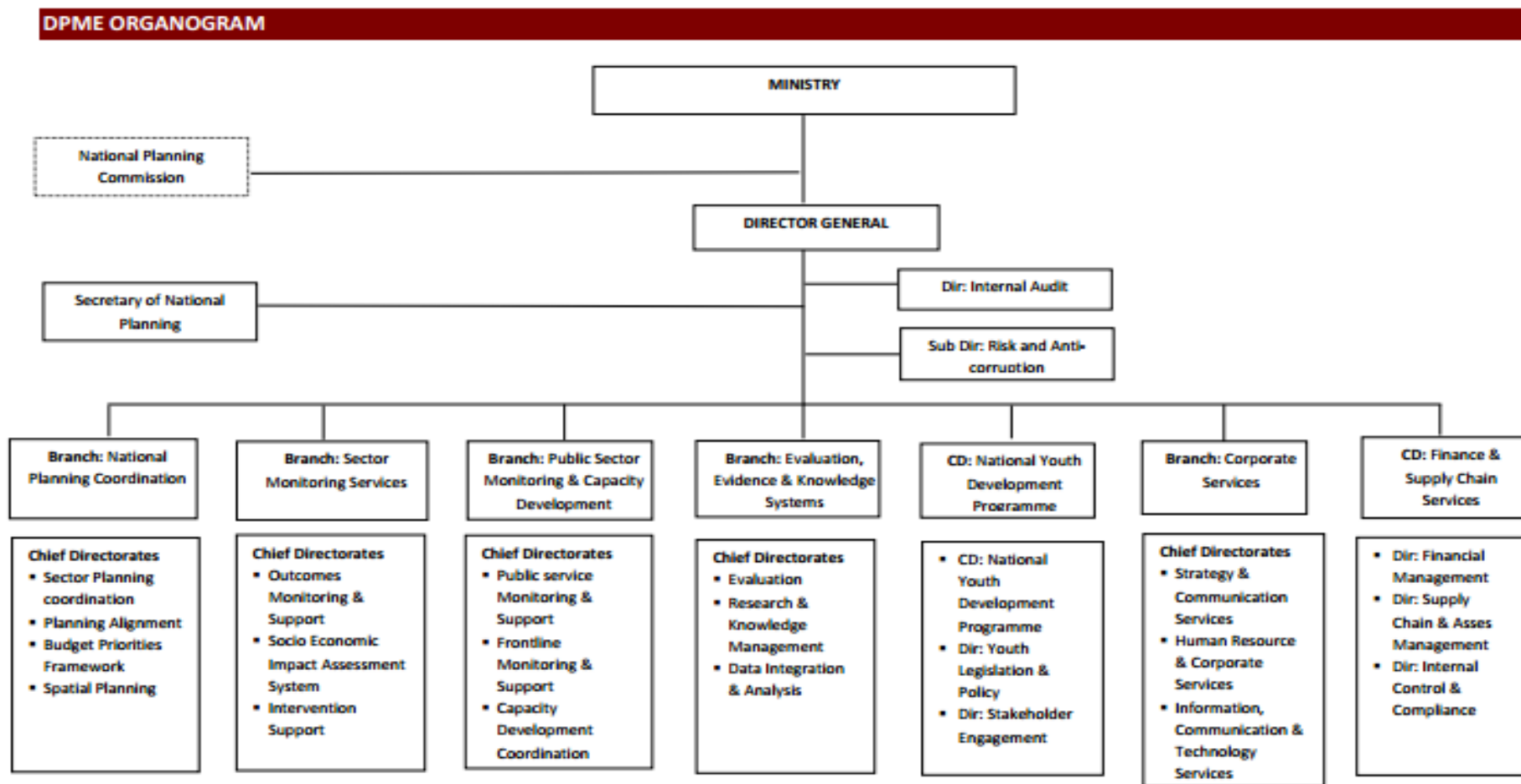


Figure 4.1 Organogram: Department of Planning, Monitoring and Evaluation

Source: DPME, 2018

According to the hierarchical structure, the department has a total number of 436 funded posts of which 398 (78%) posts are filled (DPME, 2016). The organisation and post establishment are currently organised into the following branches or programmes:

- **Branch One:** Administration – the aim is to provide strategic leadership, management and support services to the department;
- **Branch Two:** National planning coordination with a purpose to facilitate and coordinate macro and transversal planning across government and coordinate planning functions in the department;
- **Branch Three:** Sector planning and monitoring with an aim to ensure government policy coherence; to develop, facilitate, support and monitor the implementation of sector plans and intervention strategies;
- **Branch four:** Public sector monitoring and capacity development with the purpose of implementation of the medium-term strategic framework, by monitoring and improving the capacity of state institutions to develop and implement plans and provide services;
- **Branch Five:** Frontline and citizen bases service delivery monitoring, with the purpose to facilitate service delivery improvements through frontline and citizen-based monitoring and effective complaints resolution systems;
- **Branch Six:** Evidence and knowledge systems with a purpose to coordinate and support the generation, collation, accessibility and timely use of quality evidence to support performance monitoring and evaluation across government;
- **Branch Seven:** National Youth Development Agency with a purpose to oversee youth development.

The departmental budget is linked and aligned to each programme, sub-programme and project that is directed towards improving the outcome of the government that impacts on society. The annual performance plan is linked to the strategic plan, the budget and the MTEF, which are then cascaded down to the individual performance agreement as indicators.

4.5 Current practice on the performance management and development system at the DPME

The PMS policy of the DPME was developed in 2014 and revised in April 2018 and was based on several legislative frameworks that were discussed in detail in Chapter 3. The policy provides managers with clear guidance on how the system is to be used. It is an instrument that is used to achieve goals and implement strategies in order to achieve service delivery. The system provides a clear link between performance of employees and the performance of the Department against the Annual Performance Plan. The policy goals and objectives of the PMS in the DPME as stated in the policy are as follows:

- To provide a clear link between the performance of employees and the performance of the Department against its Annual Performance Plan;
- To establish a performance and learning culture in the department;
- To serve as a management instrument for implementation goals and strategies, and to improve service delivery;
- To ensure that all employees know and understand what is expected of them;
- To promote interaction on performance between employees and supervisors;
- To identify, manage and promote employees' development needs, to evaluate performance fairly and objectively;
- To recognise categories of performance that are fully effective and better, and to manage categories of performance that are not fully effective.

4.5.1 Performance management system practice at the DPME

The performance cycle at the DPME starts from 1 April to 31 March every year. This cycle is aligned to the Annual Performance Plan (APP) of the department and budget (DPME, 2016:4). It is also linked to the financial year for the purpose of planning, pay progression and performance incentives. Agreement is the basis of performance management (DPME, 2016:6).

All employees appointed, or seconded or transferred to another post or position at the same salary, enter into a performance agreement (PA) with the department as their employer. The PA is a binding contract entered into and signed between the employer and employee. Such an agreement is signed and submitted on or before 31 May every

year to HR (DPME, 2016:9). In the event that employees on salary level 13 and above fail to sign performance agreements, it may lead to misconduct and eligible for non-pay progression and a performance bonus and may face disciplinary action (DPME, 2016:12), whereas employees on salary level 1 - 12 may face disciplinary action. As much as the policy is clear on non-compliance for the submission of PAs, the department has recorded non-submission of 13 percent for the 2016/17 financial year as shown in Table 4.1.

Table 4.1 Submission of Performance Assessments

Fin-Year	Performance Agreements (PAs)			Midterm Reviews			Annual Assessments		
	# Eligible employees	No submitted	% submitted	# Eligible employees	No submitted	% submitted	# Eligible employees	No submitted	% submitted
2016/17	287	252	87%	268	211	79%	280	262	94%
2017/18	300	299	99%	304	291	96%	316	314	99%

Source: DPME HR Reports on PMS Submission

From Table 4.1, compliance with submission of both PAs and reviews is above eighty percent (80%) year on year comparison. There was improvement in the submissions in the 2016/17 financial year and 2017/18 financial year, in which the department achieved almost hundred percent compliance in both PA and reviews/assessments (DPME, 2016:15). According to the DPME (2016:17), as much as the agreements are submitted, most of these agreements are poorly written and in most instances the moderation committee refers them back to the relevant units for proper completion.

As previously discussed on section 2.7.1 of this study, that planning is the starting point to begin the performance management process. Once every employee enters into the agreement, PAs are moderated by the moderation committee for alignment with the Annual Performance Plan. Once the moderation committee approves the PAs, all employees start to implement the agreed contracts. Included in the performance agreement is the personal development plan with the purpose of identifying any performance output shortfall (DPME, 2016:13). According to the DPSA (2016:11), performance agreement is the cornerstone of performance management at the employee

level and all employees enter into this agreement. PA and the work plan reflect the actual employee activities and output during the entire performance cycle.

4.5.2 Assessment of performance within the DPME

Performance reviews are conducted twice in the performance cycle. The mid-term assessment takes place from April to September of every year. The second formal annual performance assessment is conducted at the end of the performance cycle in April each year. However, departmental policy allows for oral reviews which may take place at least three times a year. Getnet *et al.* (2014:179) suggested that good performance review required plan of action, close observation timely checks by the supervisor and employee's participation throughout the time period. Performance need to be consistently reviewed to allow managers to address gaps and take necessary action in time to prevent the deterioration of negative perception. Lepine & Wesson (2015:24) aver that supervisors and employees need to schedule performance review meetings to discuss the employee performance.

Most important is to revise the performance agreements (output, performance indicators and targets) to ensure that they comply with SMART principles and are aligned with the strategic priorities of the department. However, according to the DPME (2017) a review phase is flexible for adjustments in order to achieve the strategic objectives of the department. This allows the employees to be aware of the performance gaps and what could be the consequences (DPME, 2017:8).

The mid-year and annual performance assessments give an opportunity to review the overall performance and also serve as a rewarding system if the employees have performed, based on the PA that was signed. This phase is utilised to discuss the PA for the coming performance cycle (DPME, 2017:10). During the review session, the supervisor establishes the support needed, if any, the training that needs to be provided and updates all relevant documentation as per agreement with an employee. The employee is expected to prepare for the feedback session by collecting supporting evidence regarding claimed performance. Supervisors issue notifications of the date and time of the review meeting/assessment to their relevant employees in advance. Employees rate themselves and provide evidence where it is necessary, then supervisor and employee meet to discuss and review performance. They then agree on the relevant

rating and sign review forms at the end of the session when both have agreed and send the forms to HR for capturing and filing (DPME, 2016).

4.5.3 Performance assessment instruments used at the DPME

To manage performance, the department draws from the DPSA guidelines and all salary levels use one Excel format as an assessment evaluation tool. This format is used for completing both performance agreement and performance assessments. The assessment forms have four (4) parts, namely the Performance Agreement, Performance Development Plan, Work Plan and Scoring Sheet. The PA includes the work plan which contains the essence of the performance agreement regarding the tasks expected from the employees. The criteria according to which each employee is assessed, are the Key Results Areas (KRA) and Generic Assessment Factors (GAF). According to the DPSA (2007) each employee must be assessed against the KRA and GAF, as they describe what is expected of each employee and are broken down into outputs and activities. As mentioned by Armstrong (2010:53), an agreement provides the basics of managing performance throughout the year and states personal development areas where improvement may be required.

4.5.4 The role of the Human Resource Management Directorate in performance management

The Human Resource Management directorate is responsible to ensure that the department complies with all the PMDS prescripts and policies by conducting workshops and training and by disseminating information about the latest PMS developments. The directorate coordinates the implementation of the performance management and development system policy in the department. One of its roles is to design and revise the templates for performance agreements, reviews and annual assessments. The directorate ensures that correct forms are used as well as to provide training and guidance to supervisors and employees on performance assessments. The practice in the department is that the HR directorate issues circulars with guidelines regarding aspects of the performance management policy not covered by the policy or that are based on directives of the DPSA.

For effective implementation of the PMS in the department, the Human Resources directorate coordinates and monitors the process of completing performance

agreements by all employees. The directorate records the submission of the PMDS documents, performs quality assurance and advises officials what needs to be corrected or amended on the performance agreements and captures performance agreements on the PMDS system. The directorate prepares the graphical analyses and the necessary documents for the moderation committee and also facilitates the meeting to adjudicate the appeals against the annual assessments by mid-December.

4.5.5 The role of the Moderating Committee

The department has an established Moderating committee that provides oversight of the PMDS and ensures that the process for setting performance standards in the PAs is valid, fair and objective. There are two committees, the Branch Meeting and the Departmental Moderating Committee. The role of the Moderation Committee is to fairly evaluate the employees on the same level and across the department as a whole and also to ensure that performance assessments reflect the performance expected in terms of the Annual Performance Plan (DPME, 2017).

The committee also decides on financial and non-financial incentives, including bonuses that must be aligned with 1.5% of the departmental remuneration budget and award pay progression in line with the 2% of the departmental wage bill. The committee has a responsibility to review overall assessment scores across branches to ensure consistency across the department and alignment to the overall performance of the department. The moderation committee convenes twice a year to moderate performance agreements, midterm reviews and annual assessments.

4.5.6 The dispute resolution process

The PMDS policy clearly highlights the processes to be followed in the event that employee and supervisor are not in agreement during the performance assessments. If the employee is not satisfied with the content and scope of the performance agreement, the policy mandates the employee to sign the agreement, indicating the disagreement in writing. And if the second layer supervisor is available, he/she should intervene or mediate the issue that is being raised. If the employee is still not satisfied with the outcome, then the matter may be escalated to a grievance phase that may be lodged with Legal Directorate in the department for further intervention (DPME, 2017:16).

The Republic of South Africa (2003:4) advocates that a grievance should be dealt with within 90 days from the date the employee is aware of the grievance. As much as the policy states clearly the process of dispute resolution to be followed, the perception is that supervisors do not follow the system; therefore most employees do not have confidence in the process.

4.5.7 Managing performance outcomes

Employees only qualify for performance bonus/pay progression on condition that an employee has been in the same notch for a period of at least twelve months and performing at least at the level of fully effective. Only a valid salary notch level may be used in a process of progression (DPSA, 2016). The performance in the event of pay progression shall be based on the following:

- Actual service at a particular salary level for the period 1 April – 30 March prior to the pay progression date, which should be one year's continuous service on a notch;
- An assessment of at least satisfactory performance for the said period in line with the department-specific performance management system (DPME, 2016:15).

According to the DPSA (2016) no public service department is, however, allowed to exceed a percentage of one point five (1.5%) of its wage bill, that is the remuneration budget, in rewarding the outstanding performers. According to the DPME (2017:16) a bonus is a financial reward granted to an employee as recognition of sustained performance that signifies achievement above expectation. In order to qualify, an employee should have completed a continuous period of at least twelve months at his/her salary level on 31 March of that year. The cycle runs over a continuous period of twelve months. Bonus value is calculated at the employee's actual notch for levels 1 - 10 and based on the remuneration package for levels 11 - 12 and senior managers.

DPME policy encourages that from time to time, at the discretion of the Director-General, mechanisms of non-financial recognition may be introduced to stimulate performance across the department. This is supported by Azzone & Palermo (2011) ; Othman (2014) who claim importance of rewarding good performers because

employees generally feel more motivated when their performance is rewarded and reward-for-performance does not decrease the effectiveness of employee PM. The policy states clearly how to manage under-performance in the institution. It provides early identification and resolutions in dealing with unacceptable performance.

The supervisor may conduct the following:

1. Personal counseling;
2. On-the-job mentoring and coaching;
3. Formal training/re-training;
4. Restarting the work plan performance requirements; and
5. Work environment audits to establish other factors affecting performance.

This is supported by Vu *et al.* (2019), who claim that in the event that an employee under-performs, the supervisor should apply corrective measures and development support. It is the responsibility of the supervisor to identify the cause of poor performance. Supervisors at the DPME acknowledged that there was no formal training provided. They claim, however, to provide some form of informal training to under-performing subordinates through mentoring or on-the-job training. In a personal interview with one of the interviewee it was revealed that job training is provided to under-performing subordinates. Other interviewee supported the claim that subordinates are provided on-desk training on an ongoing basis.

After the supervisor and employee have identified the causes of unsatisfactory performance, it is encouraged to document the interventions in the Performance Improvement Plan (PIP) to address the problem (DPME, 2017:20). This plan should be monitored for a period of six months where the supervisor compiles a report and submits a formal performance assessment to HR on a quarterly basis. Where the performance does not improve, further steps should be considered in terms of the Incapacity Code.

4.5.8 Training and development

According to Bussin (2013:102), the performance management and development process plays a key role in effective management and development. The DPME PMS policy advocates that each PM should include Personal Development Plans (PDPs). The main purpose of Personal Development Plans is to identify any areas within the

KPAs or GAF that require further development. It is the responsibility of both supervisor and employee to develop a plan on how the identified sub-optimal performance should be developed to achieve related outputs. The department is allowed to spend a budget of 1% of the total salary bill for training and development of staff (DPSA, 2016). The reports as reflected in Table 4.1 regarding training which was conducted at all national and provincial departments by Sector Education and Training Authorities (SETA). It is revealed that the number of employees that confirms trainings increases year on year, which means that development of the employees in the department is budgeted for and prioritised.

Table 4.2 Training Conducted

	2017/18	2016/17
Confirmed trainings by DPME employees	139	111
Attendance of trainings by DPME employees	96	45

Source: DPME, 2016

However, it is noticed that during the 2017/18 financial year, out of 139 confirmation from the employees, only 96 actual attended training interventions, and during 2016/17 only 45 employees attendes out of 111 who confirmed to attend. This has led to irregular and fruitless expenditure from the department. It also means that employees will not be reached in order to improve the gaps identified to enhance performance. Some of the challenges identified by HR in 2017/18 in reaction to training and development included the following:

- Upon confirming the required training with the HR unit, the employees going on training does not attend the arranged training;
- In some cases employees did not attend the confirmed training when nominated; and there were incidences where managers made bookings for training and courses that were not aligned to the work responsibilities of employees, therefore training that was provided to employees did not have an impact on the work targets and simply meant that PDSs were completed as a matter of compliance (DPME,2016:15).

4.6 Summary

This chapter presented the DPME as a case study to explore the practice and implementation of the performance management and development system in the department. A brief background on the establishment of the department with its mandate as a centre in support of alignment of all spheres of government with the NDP. The background included the history of the department as well as the vision, mission and role of the organisation. The DPME plays an important role in the implementation of the NDP and the realisation of the SA Constitution.

The practice in the department regarding the process of the performance cycle was discussed and the role of both the Moderating Committee and Human Resource Unit were highlighted.

CHAPTER 5: DATA COLLECTION AND PRESENTATION OF RESULTS

5.1 Introduction

While in the previous chapter the implementation of PMS at the Department of Planning, Monitoring and evaluation (DPME) was extensively discussed as a case study, in this chapter research design and methodology will be considered, together with presentation of the results. The objective of this research is to explore whether the perception of employees regarding performance management system utilised in the department.

In this chapter the research methodology that was followed to address the research questions and objectives will be outlined and furthermore, the results will be presented by using charts and discussion based on the research design during this study process (i.e. in Chapter 1) and findings will be noted.

The researcher utilised the mixed method where both quantitative and qualitative processes were used in collecting, analysing and integration of the data. This provided a better understanding of the research problem and involved integration of data in the research process (Creswell & Creswell, 2017). Purposive sampling was used in selecting participants for interviews, where the researcher purposely chose the participants, based on their ability to provide the necessary data when face-to-face interviews were conducted. According to Vehovar, Toepoel and Steinmetz (2016:21) purposive sampling follows some judgement by the researcher in looking for a kind of ‘representative’ sample or even in seeking diversity until some criteria are satisfied.

Structured questionnaires were conveniently distributed to the employees who were easily accessible due to geographical proximity and were availability at time the researcher was collecting the data and willing to participate in the study.

This study is descriptive in nature, using non-empirical data from existing strategic, operational and policy documents from the organisation, as well as the empirical data obtained through structured questionnaires which contained the response categories “strongly agree”, “agree”, “disagree”, “neutral” and “strongly disagree”. The approach followed in the research was that of a case study where a limited unit of analysis was

studied intensively (Bryman, 2012). The researcher aimed to do essential investigation of the institution under study (Babbie *et al.*, 2015). The unit of analysis included individuals and the institution. The perception of DPME employees regarding the implementation of PM and development systems was investigated. Trends of both subordinates and management were determined.

Babbie & Mouton (2010:847) believe that research methodology deals with methods, techniques and procedures and specific tasks to be followed in implementing the research plan. The data sources included structured interviews, a questionnaire and the review of the departmental documentation on performance management. The data will be analysed, after which the results will be presented. The patterns in the data will be discussed in detail.

5.2 Research ethics

The permission of the Departmental Ethical Clearance Committee to conduct the research was granted and obtained on 9 August 2018. Permission was also obtained from the DPME Director General on 30 August 2017. Upon receiving the permission to conduct the study, the administration of the questionnaires was completed and interviews with the research participants were conducted in English. The participants were assured of the confidentiality regarding their responses, both verbally and in writing. The responses were analysed in line with the research objectives.

5.3 Population and sampling

Bhattacharjee (2012:66) assert that population is the total group that the study focuses upon. In addition, population is a term used to describe the total quantity of cases, which is the subject of a study that consists of objects, people and events. A research problem has a bearing on some or other population. It is not feasible or practical to involve the whole population in the research project because of the size. Non-probability sampling was therefore utilised in this study in selecting the participants for conducting structured interviews and distribution of the questionnaires. Purposive sampling was used in selecting participants for interviews, where the researcher purposely chose the participants, based on their ability to provide necessary data. As mentioned in Chapter 1 of this study, semi-structured questionnaires were distributed out to the employees

that were available at the time of data collection and these questionnaires were collected at the branch offices, where participants dropped completed questionnaires in the box; and 89 responses were returned and five interviews were conducted, resulting in 94 responses in total.

5.4 Data analysis

Data analysis refers to making sense out of data to answer research questions and how they related to find the meaning (Wagner *et al.*, 2012). Emphasis was on making sense and understanding phenomenon. Data analysis is used in all social science research, which is highly dependent on the type of research methodology used. The purpose of this study was to explore the perceptions of officials and management regarding the implementation of the performance management system at the DPME. The study attempted to answer four broad questions, namely:

- To understand and explain PMS within the context of the public sector;
- To explore whether the PMS contributed to employee performance;
- To investigate challenges facing the PMS at the DPME; and
- To determine strategies to improve the PMS within the DPME.

In this section, the data collected through questionnaires distributed to the employees of the DPME will be looked at. A total number of 82 questionnaires were received and five interviews were conducted. The method used in this study was descriptive analysis, due to the characteristics of the study. The method forms part of content analysis of the data gathered from the interviews and other documents. The researcher created a conducive environment for the participants to participate and respond freely and openly on issues pertaining to the implementation of the performance management system policy framework.

In order to quantify and analyse answers received from the questionnaire, the research had to group them into categories. Answers were examined and grouped into different categories. The first eighteen questions from the structured questionnaire were on linkert scale. A researcher collected a large number of statement which were relevant to the attitude being studied. Participants were asked to indicated their responses to each

statement if they agree or disagree. Then the total score of each statement were added up.

Thematic analysis was used on question 20 of the questionnaire and section 2 of the interview structured questions which were more open-ended questions. The advantage of thematic analysis is that it provides some pointers about how to begin and to organise such analysis and flexibility (Kothari, 2004). The researcher looked at the repetition that was most common in establishing a theme (Bryman, 2012:623), however the ultimate deciding factor for establishing theme was the relevance on the investigation research question or research focus. The survey data was entered on GoogleSheet web-based software for analysis. The findings were then analysed in relation to the theoretical framework developed in chapter two of this study

5.4.1 Survey questionnaire results

The section below will look at the empirical data collected through structured questionnaire (See Annexure 1). The questionnaire consisted of two sections. Section A dealt with demographic information of the participants in terms of experience and qualifications and Section B was designed to assess the perception of employees regarding the implementation of the PMS at the DPME. The researcher used the Likert Scale in designing the questionnaires, as shown in Table 5.1

Table 5.1: The Likert Scale

1	2	3	4
Strongly Agree	Agree	Disagree	Strongly disagree

Advantages of the Likert Scale are that it is easier to use and to understand for both the researcher and the respondent and that coding as well as interpretation is easier and takes less time to explain (Bryman, 2012:166). The limitations of the Likert Scale is that wording of the descriptive categories most probably affects the responses and artificial categories might not be sufficient to describe a complex continuous, subjective phenomenon (Bryman, 2012:167).

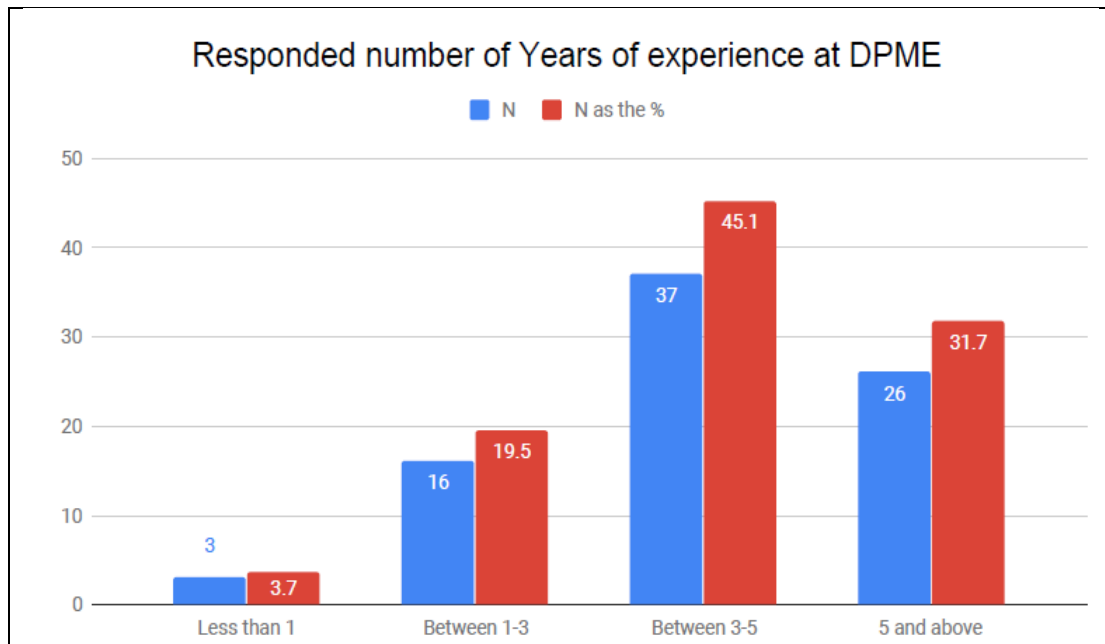


Figure 5.1: Respondents' number of years' experience at the DPME

Figure 5.1 indicates the majority of responses; 45.1 percent had a number of years of experience between 3 - 5 years, 31.7 percent had experience of 5 years or longer; 19.5 percent had between 1 - 3 years' experience and 3.7 percent had less than 1 year's experience in the department.

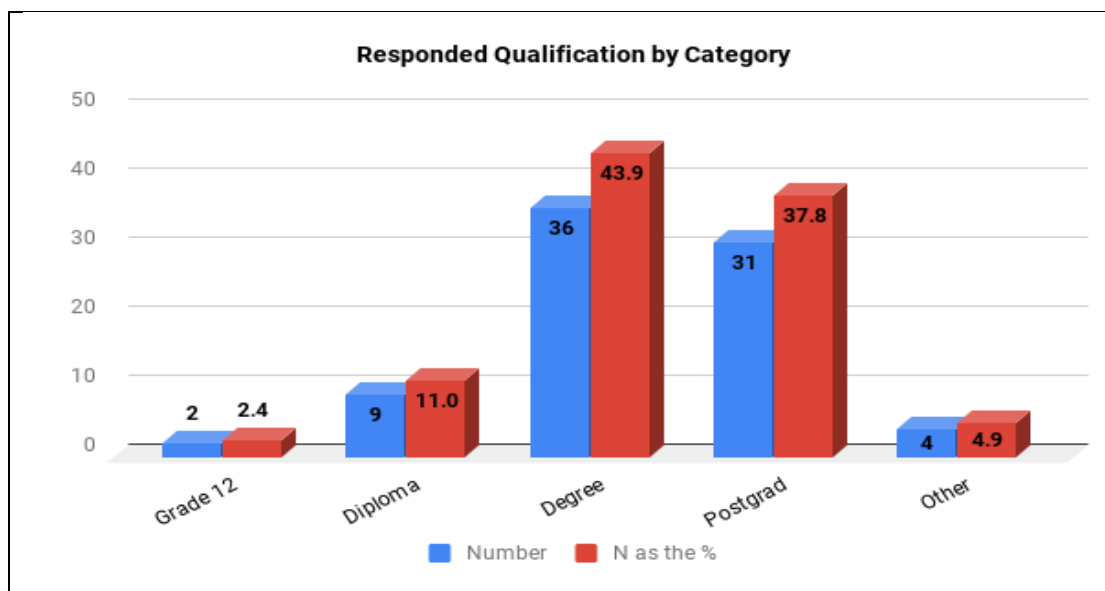


Figure 5.2: Percentage of respondents per qualification

The data in Figure 5.2 shows that 43.9 percent of respondents held degrees, whereas 37.8 percent of respondents held postgraduate degrees; 11 percent held diplomas and 4.9 percent held other qualifications which were not indicated and 2.4 percent had

completed Grade 12. This information that was collected suggested that the data was collected from respondents with different levels of qualification.

Part B presents the employees' responses in Section Two (research questionnaire statement) and are presented in Figure 5.3 below and narrated as follows:

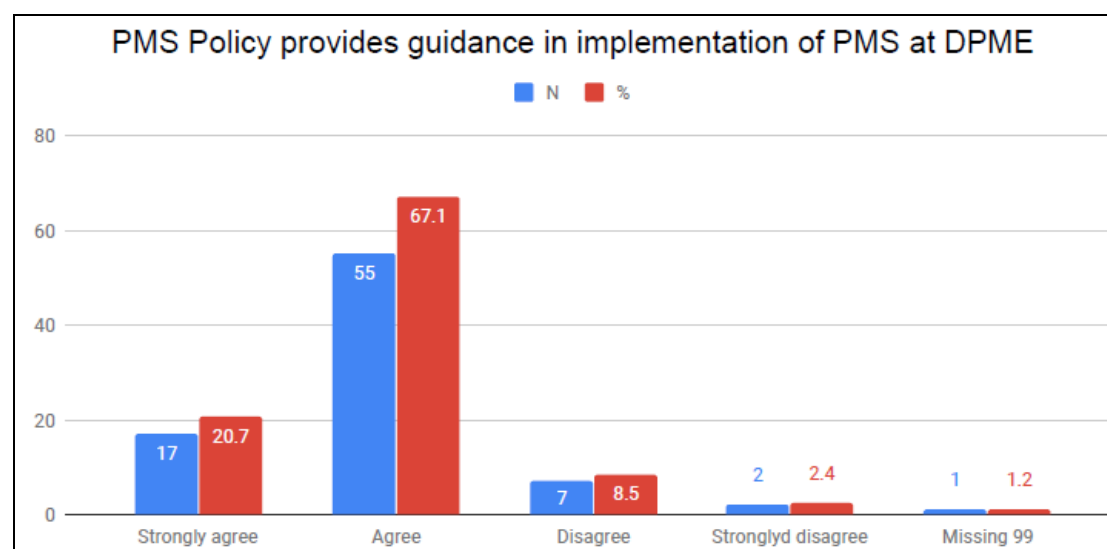


Figure 5.3: PMS policy as guidance in the implementation of PMS at the DPME

From Figure 5.3 it is deduced that 87 percent of the participants believed that the policy provided guidance in the implementation of the PMS in the department. It could therefore be concluded that the majority were satisfied with the policy being implemented, with a minority of 10.9 percent who did not agree with the statement. The researcher concluded that the PMS was well understood in the department. The finding supports the opinion of Armstrong(2014) who argues performance management process should ensures all stakeholders involved understands its objectives.

Ashdown (2014) contends that if performance managementn is managed well, it may lead to effective people management for institutions to achieve intended goals. Furthermore, Aguinis & Molina-Azorin (2015) underscored this view that PM is intended to help individuals understand and recognise their part in contributing to the overall objective. It was therefore concluded that if employees understood the implementation policy, they would understand their part.

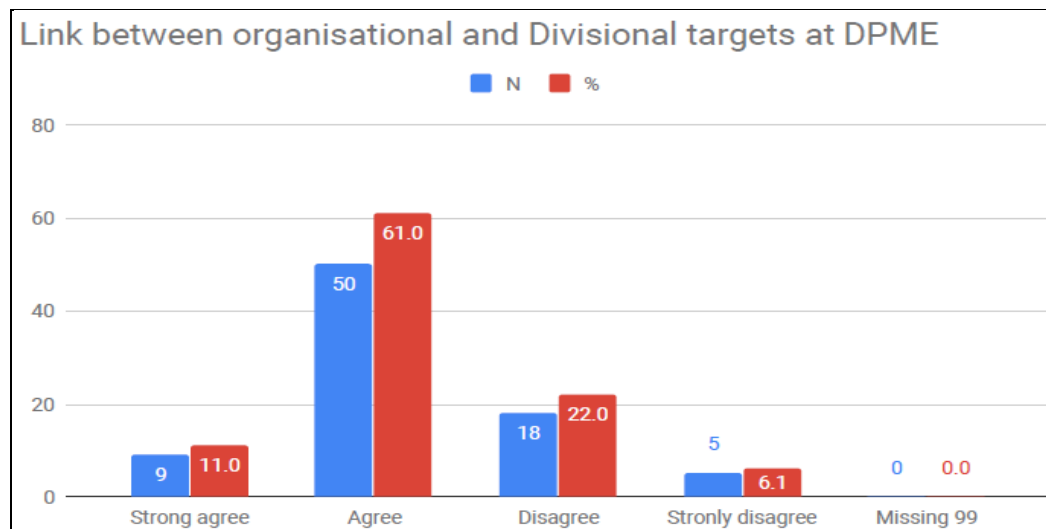


Figure 5.4 Link between organisational and divisional targets at the DPME

Figure 5.4 depicts that 72 percent of respondents believed that there was linkage of strategic objectives down to operational plans to individual performance agreement in the department, while 28 percent did not agree with this statement. As previously stated on section 2.3.1 of chapter, that organisation without direction could be difficult to measure performance. Critically argued by Pulakos *et al.* (2019) is the cascading of organisation goals to business units in order to link organisation's strategic goals to each employee. This assist employees understand how their work aligns with organisation goals. Armstrong (2014:34) argued that good performance management is achieved if everyone in the organisation was clear about corporate strategies and plans and the objectives were SMART. The finding collaborate with literature on chapter 2, where for instance Aguinis (2013) & Bussin (2013) strongly feel that in order to effectively facilitate the link between organisational objectives and employee behaviour, performance management should firstly be aligned with and linked to all aspects of HR planning.

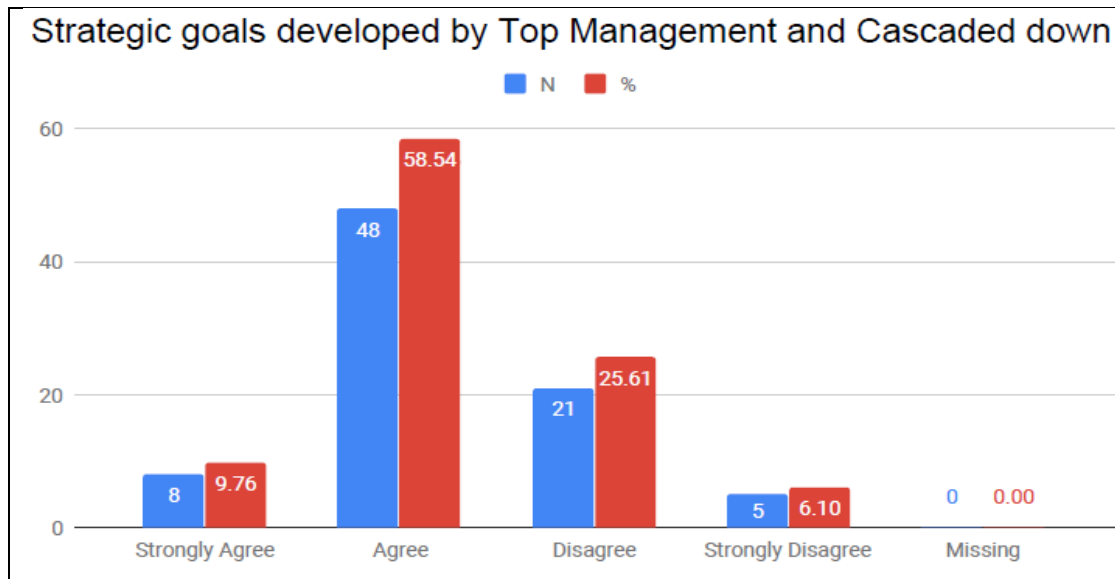


Figure 5.5 Strategic goals developed by top management and cascaded down

Figure 5.5 shows that 68.3 percent of respondents agreed that strategic goals developed by management were cascaded to all units in the department, whereas 31.7 percent disagreed. The researcher concluded that the majority in the department understood the goals and objectives of the department which would lead them to perform their duties effectively. Advocated by Goal-setting theory adopted by this study is important of individual who set specific, difficult goals will lead to better performance.

As discussed on section 2.31, that for organisational goals to be cascaded down to lower structures; supervisors are to ensure that that they were setting programs, departments, teams and individual objectives that are aligned to achieve corporate and business goals. However, as much as it was revealed that there exist challenges in cascading organisation goals (Pulakos & O'Leary, 2010), setting goals that are clear and measurable would lead set goals being be achieved. From the data gathered, it was concluded that the DPME understands the process of cascading the organisational objectives into branches. Armstrong(2012) underscore this view that planned goals are to be cascaded down to lower levels of the organisation. This allows employee to monitor their goals and make them more realistic (DuBrin, 2013).

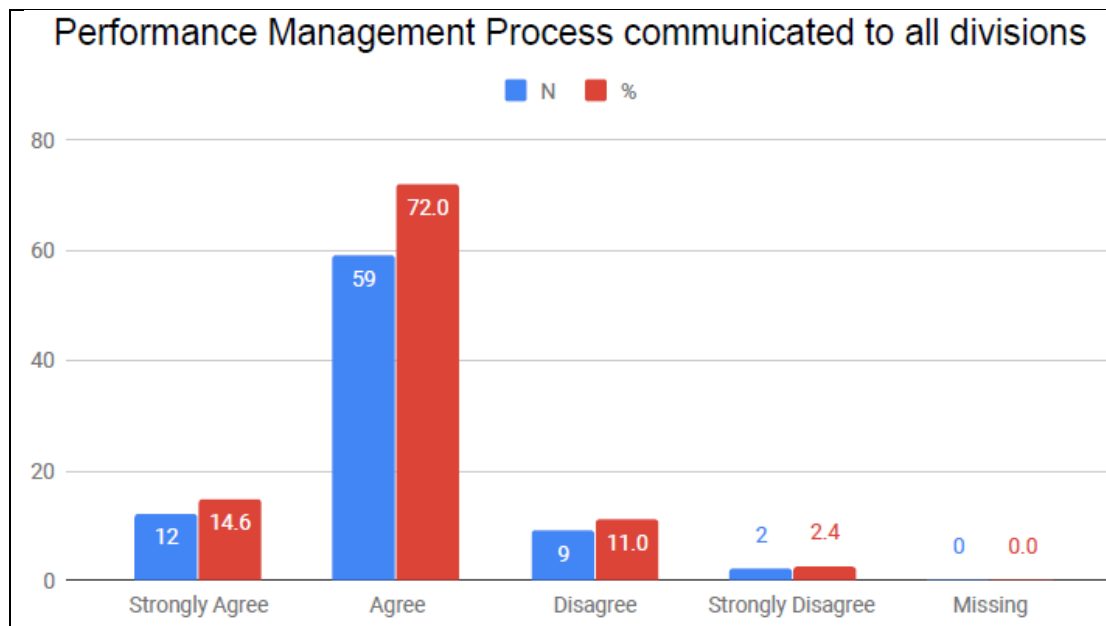


Figure 5.6 Performance management process communicated to all divisions

Figure 5.6 illustrates the extent to which the performance management process is communicated to all divisions in the department, where 83 percent were of the opinion that this process was communicated and 13 percent did not agree. From the majority of the data collected, the researcher could gather that respondents were aware of the PMS processes and as that these were communicated effectively. It was therefore concluded that employees would work as effectively and efficiently as possible in line with the needs of the organisation. This is underscored by Tuytens & Devos (2012) who advocates that top managers or the leadership if to communicate goals, provides resources, express commitment and role model in the implementation of PMS.

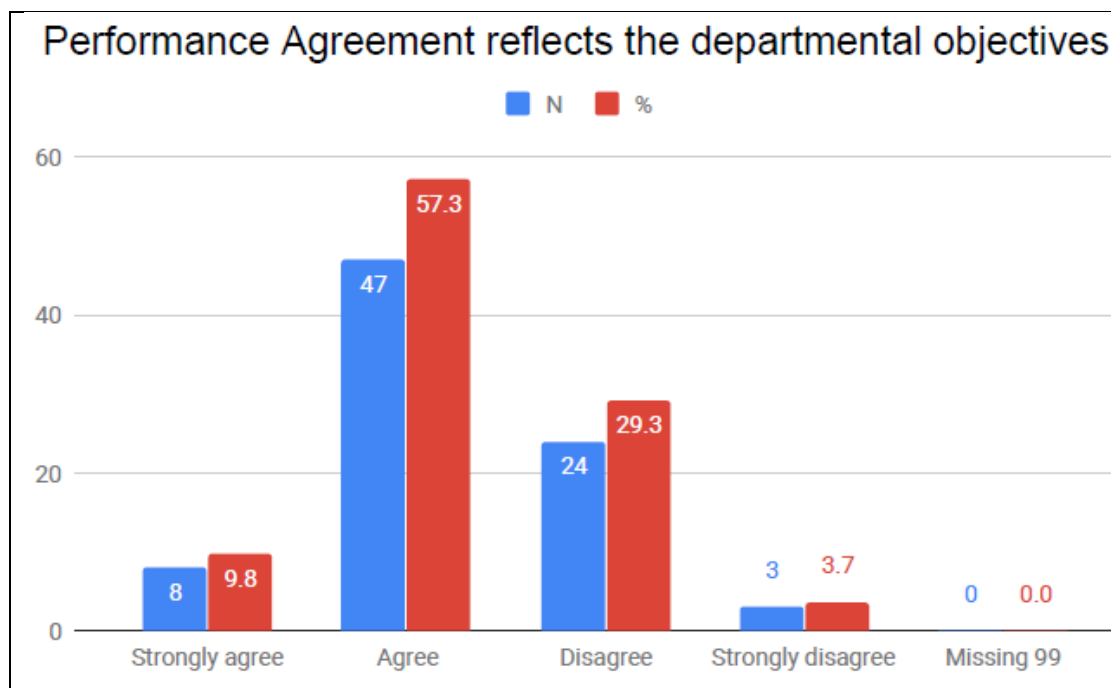


Figure 5.7 Performance agreement reflects the department's objectives

Figure 5.7 depicts the extent to which the majority of 67 percent believed that performance agreements reflected the objectives of the department, whereas 33 percent disagreed. As discussed in this study that aim of performance agreement is to obtain a plan on what needs to be done to achieve objective and improve performance. The findings appear to support literature reviewed, for instance Ashdown (2014); Armstrong (2014) & Kearney (2018) advocate that establishing a culture where employee's objectives are aligned with organisational goals is the first step to effective implementation of PMS.

Performance agreement between manager and employee explains how performance will be measured and what evidence will be used to ascertain level of competency. The practice in the department, as stated in the DPME performance management policy, was that a clear link between the performance of employees and the performance of the department against its Annual Performance Plan had been put in place.

It was therefore concluded that employees at the DPME understood their key performance areas in the bigger picture towards achieving an organisational objective. The concern stated in Chapter 4 of this study was that as much as performance

agreements were timely completed and submitted, they were still of poorly written and the content was not understood by employees.

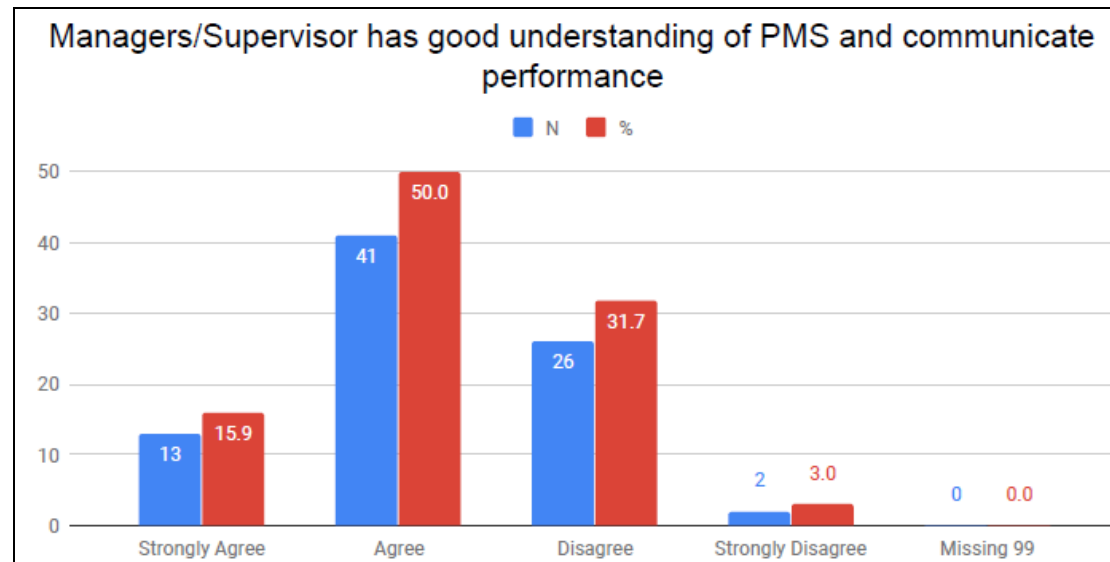


Figure 5.8: Manager/supervisor understands PMS and communicates performance

From the data collected and illustrated in Figure 5.8, it is evident that most (66 percent) of the respondents believed that managers understood PMS and did indeed communicate performance. This finding is supported by Femi (2013) who believe that managers should know performance activities and desired outputs by providing feedback in meeting employees expectations. It was therefore concluded that supervisors provides guidance on the implementation of the PMS and communicated performance effectively. The practice in the department is that performance formal reviews are conducted twice a year, where performance is discussed. This is encouraged by Idowu (2017) who advocate that supervisor has the responsibility to recognise and reinforce strong performance in employees and communicates the process with zeal to encourage to take ownership.

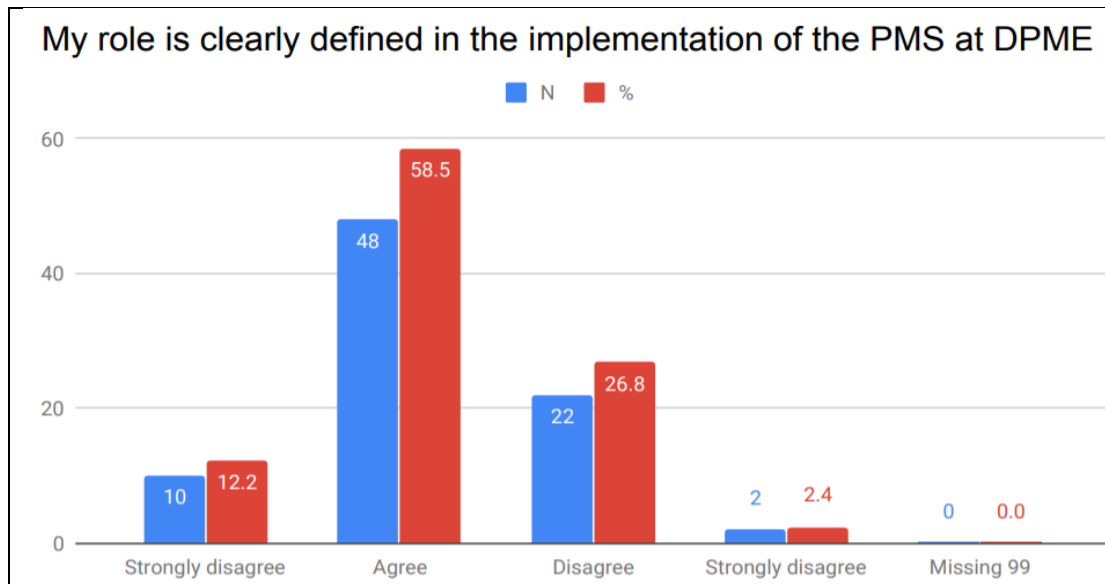


Figure 5.9: My role is clearly defined in the implementation of the PMS

From Figure 5.9 it is evident that 70.1 percent viewed their role as clearly defined in the implementation of the PMS at the DPME, whereas 29.2 percent disagreed. This was supported by Aguinis *et al.* (2013:22) who emphasise the importance of employees to play an active role in developing performance agreements, active role during feedback and also to identify areas to be developed in order to recognise their individual role in the implementation of the PMS.

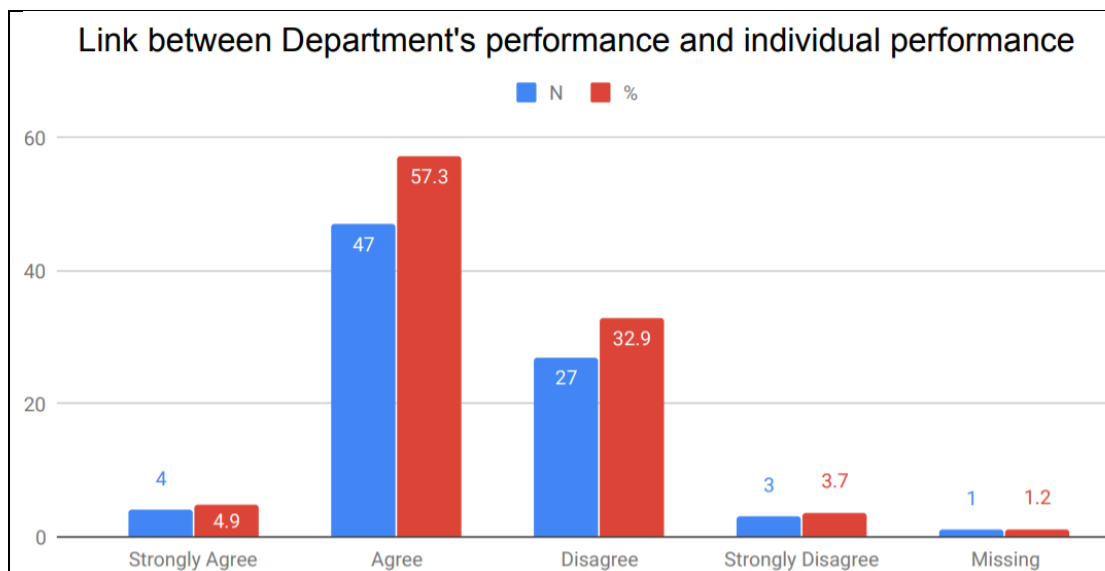


Figure 5.10: Linkage between department's performance and individual performance

Figure 5.10 shows that 62.2 percent of the respondent indicated that there was a link between the department's performance and individual performance, whereas 36.6

percent did not agree. The finding appear to colloboratuw with criteria for effective performance management advocated by Vu *et al.* (2019). In the view of Armstrong (2014), the critical role of the PMS was to have a clear linkage of how the targets were to be achieved by individuals. The researcher concluded that respondents at the DPME believed that individual performance impacted on the organisational performance.

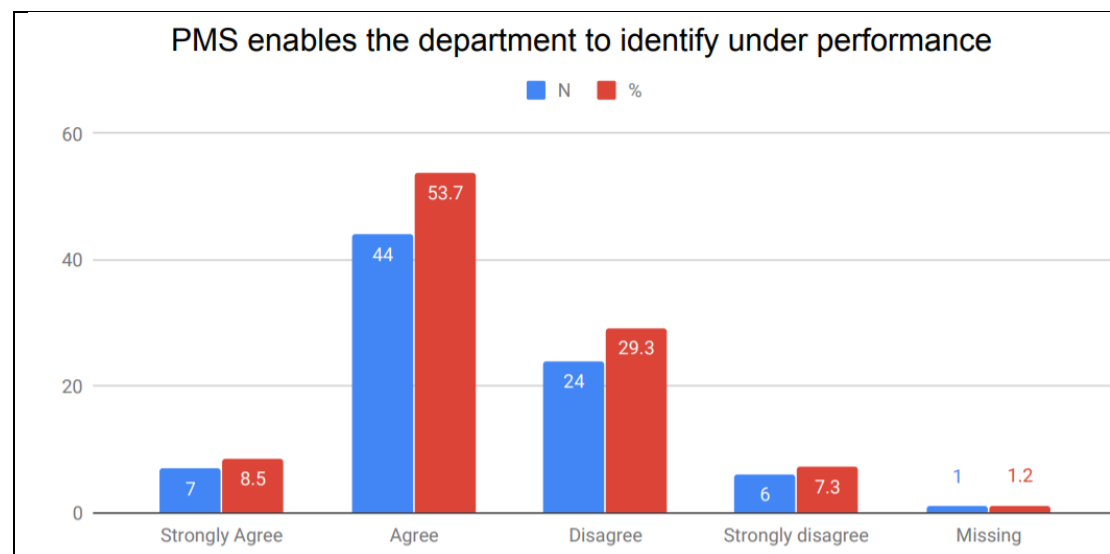


Figure 5.11: PMS enables the department to identify underperformance

Figure 5.11 illustrated that a majority of 62.2 percent believed that the performance management system utilised in the department was able to identify underperformance, while 36.6 percent did not agree with this statement. As discussed in Chapter 2, the performance management system provides a comprehensive data source to allow institutional skills development and training needs to be clearly identified and prioritised. This data then allows management to better judge their decisions regarding salary increases, promotions, transfers or demotions. It allows for institutional, divisional, team and individual performance indicators and measures as well as generic indicators, which can be used to encourage cooperative and other desired institutional behaviour.

According to Bussin (2013:102), performance management and development processes play a key role in effective management and development. The DPME PMS policy advocates that each performance agreement should include Personal Development Plans (PDPs). The main purpose of PDPs is to identify any areas within the KPAs or GAF that require further development. It is the responsibility of both supervisor and

employee to develop the programme. It can therefore be concluded that the PMS used in the department is effective to identify lack of training and has the necessary procedures in place to address the underperformance.

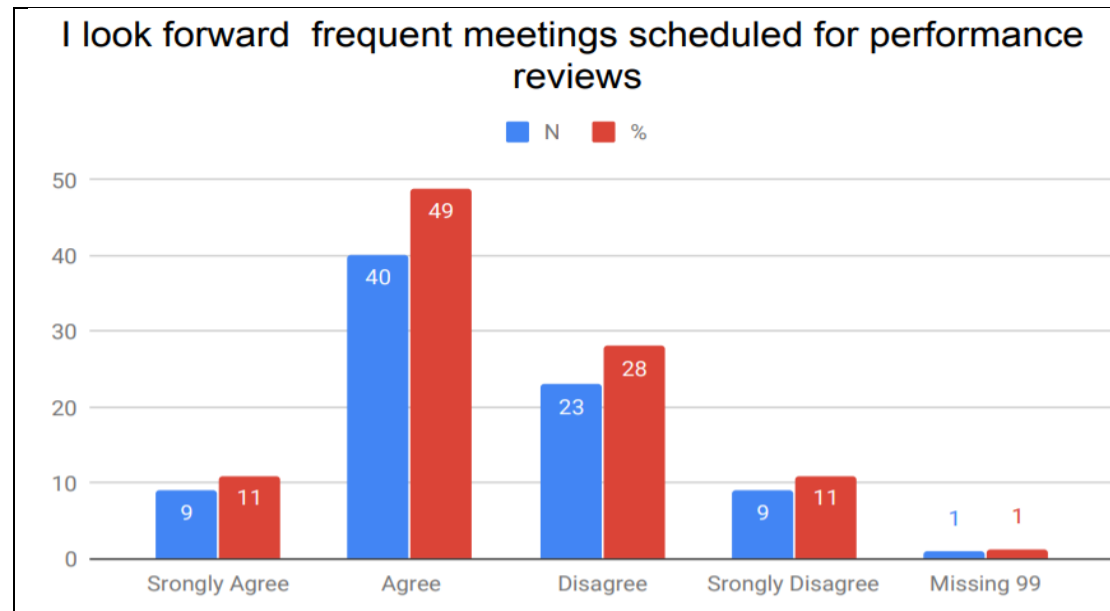


Figure 5.12 I look forward to performance reviews

Figure 5.12 depicts that 60 percent of the respondents looked forward to frequent meetings/reviews to discuss performance, while 39 percent did not agree with this statement. For reviews to be effective, both manager and employee work together to assess the progress that has been made towards the goals set in performance agreement. This finding is supported by Ashdown (2014) who argue that if employees are better convinced of the review phase and if feedback is done properly by managers, they would be more likely to acknowledge their performance ratings, including unfavourable ones. It was therefore concluded that if 60 percent of employees looked forward to review sessions, there was active participation from their side with regard to PMS processes. This is underscored by Bussin (2013) and Armstrong(2014) who advocate frequency of review meetings. Reviews provide an opportunity for the supervisors to give feedback regarding performance and identify areas of improvement.

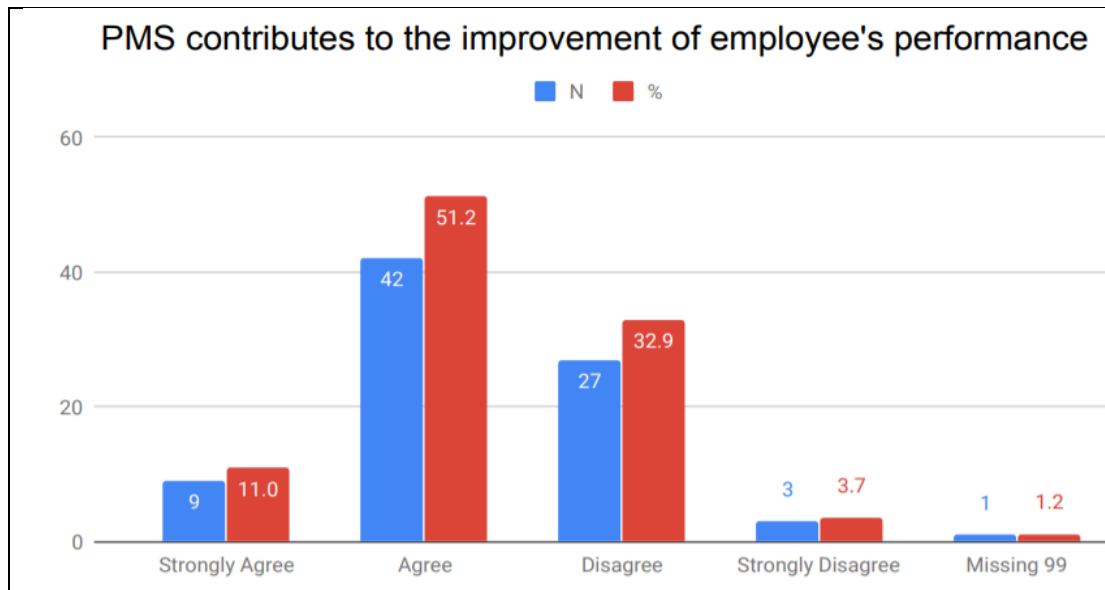


Figure 5.13 PMS contributes to the improvement of employee's performance

Figure 5.13 shows that 62.2 percent of the respondents agreed that PMS did contribute to the improvement of employee performance, whereas 36.6 percent did not agree. The finding is underscored by Elnaga & Imran (2013) who advocate that employees who are satisfied with their jobs will have higher job performance and the opposite is true. According to Bussin (2013:102), performance management and development processes play a key role in effective management and development. Although it was stated in Chapter 4 that training needs are communicated to HR units, sometimes these needs do not address the gap identified during review time so the employees may achieve organisational targets. The performance development plans are completed in order to comply. It is clear that the majority of the respondents viewed PMS as guiding and assisting to improve on performance.

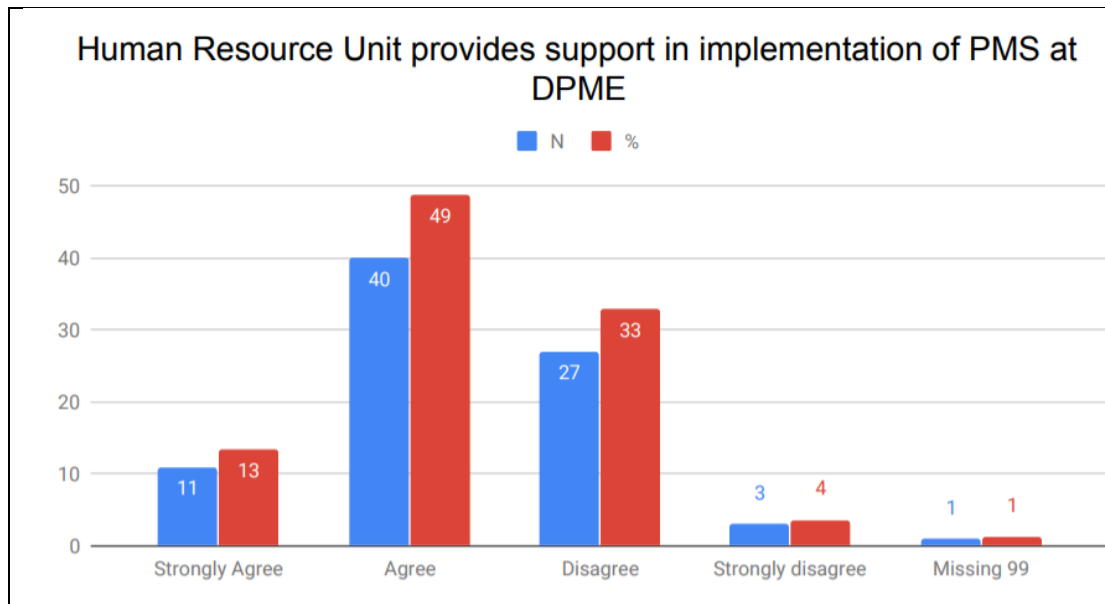


Figure 5.14 Human Resource Unit provides support in implementation of PMS at DPME

The role played by the Human Resource Unit in the department regarding the implementation of PMS is recognised from the evidence of the data collected from 62 percent of respondents, as illustrated in Figure 5.14 above, whereas 37 percent of respondents had the opposite view. The finding of the majority in this question is supported by Gorman *et al.* (2017) in that HRM plays a major administration for formalising performance management system by coordinating the processes, give support to the entire organization. However, it is important to note that the literature revealed that HR plays a supportive role in performance management and the managers are the drivers of the process (Armstrong, 2014 & Aguinis *et al.*, 2013).

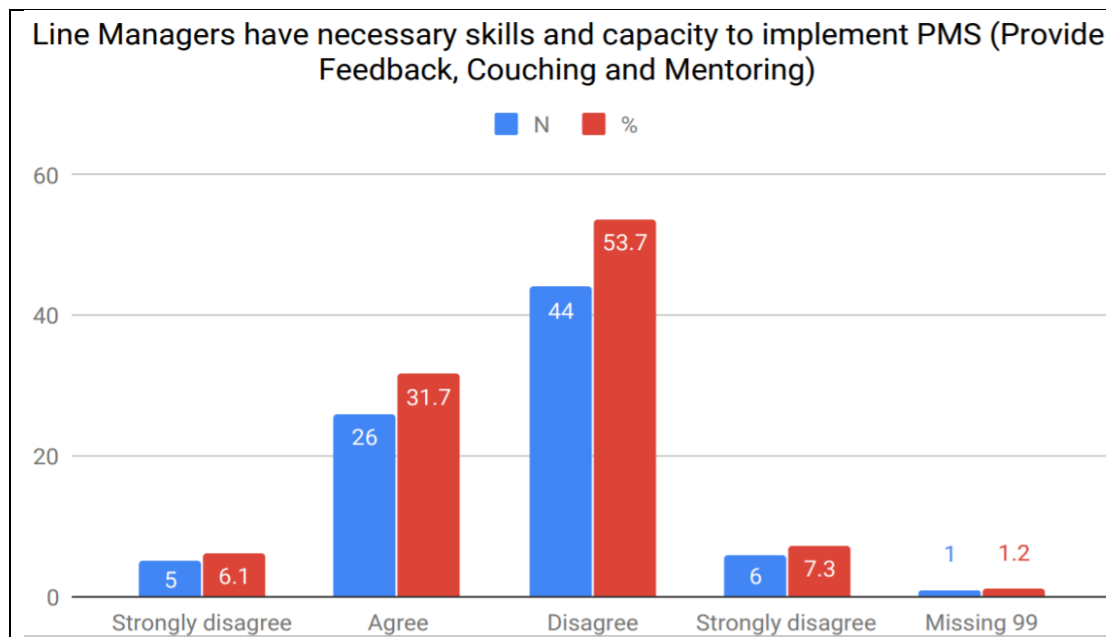


Figure 5.15 Line managers have skills and capability to implement PMS

Figure 5.15 depicts that 61 percent of respondents did not believe that managers had the necessary skills and capabilities to implement the PMS in the department, while 37.8 percent agreed. It is believed that managers/supervisors should provide guidance on the implementation of the PMS (Weimei & Feng-e, 2012) and if managers lack these skills the effective implementation of the PMS is consequently challenge. As discussed in this study that effective managers are to demonstrate the ability to guide employees on what to be achieved, observe and document performance accurately and provide timely feedback. As pointed out by Schleicher *et al.* (2018) that incompetent managers that are unable to implement PMS effectively inhibit production and may lead to staff immorale.

Aguinis (2013) further advocated that supervisors should serve as coaches by assisting employees in solving performance problems, identifying performance weaknesses and designing development plans. As much as managers and employees hold review meetings twice a year to review performance and to address underperformance, the majority still views managers as lacking the skills to implement PMS effectively.

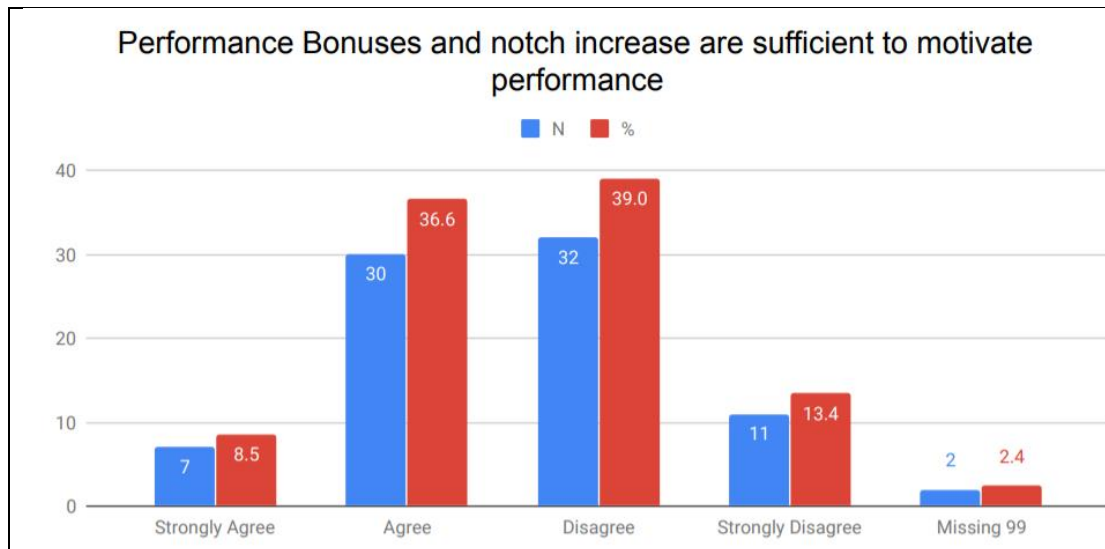


Figure 5.16 Performance bonus and notch increases are sufficient to motivate performance

Figure 5.16 illustrates that equally conflicting data was collected where 45.1 percent of respondents believed that performance bonuses and notch increases were sufficient to encourage good performance, while 52.4 percent did not agree. As argued in section 2.7.3 of this study that the effect of reward on good performance increases job satisfaction(Taylor & Beh, 2013), employees feel more motivated when their good performance is rewarded. The finding is underscored by Bussin (2013) who contend that financial incentives are always and adequate measure of reward to motive employees toward excellent performance. A minority of responses also suggested a few creative ways to recognise good performance, as illustrated in Table 5.2 on page 94.

DPME policy has a clause that caters for rewarding employee performance with other incentives besides bonus and notch increases, however it seems that employees are not aware of the clause or it is not put into practice.

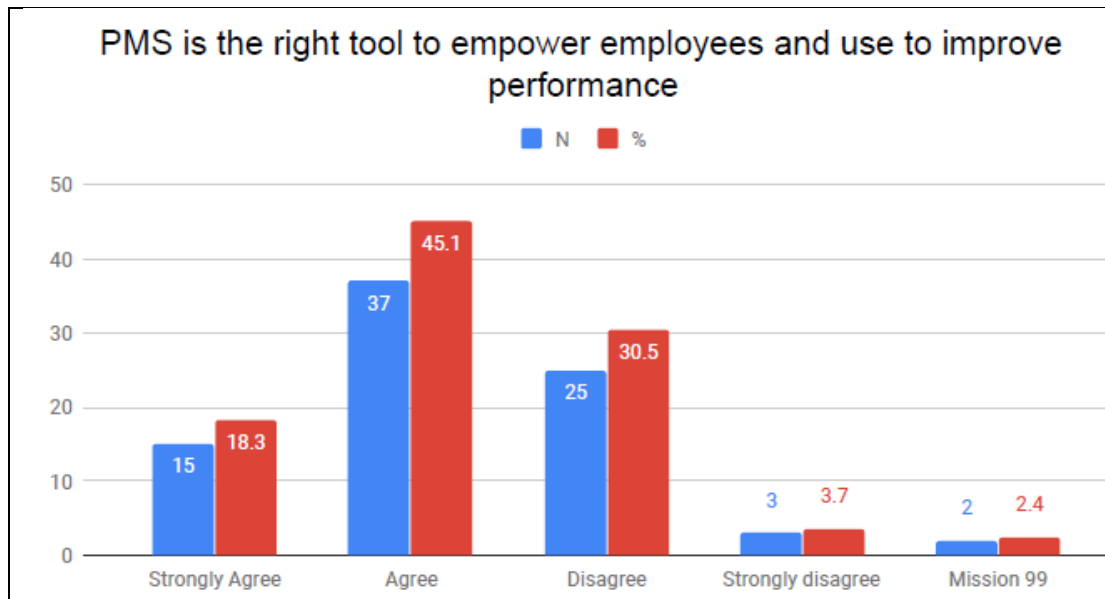


Figure 5.17 The PMS is the right tool to empower employees to improve performance

Figure 5.17 shows that 63.4 percent of the respondents held the view that PMS was the right tool to empower employees to improve performance, whereas 34.2 percent did not agree. Armstrong (2014:3) agreed with Kearney (2018) that the aim of performance management is to empower, motivate and reward the employees to do their best.

Supervisors at the DPME acknowledged that there was no formal training provided. They do, however, claim to provide some form of informal training to under-performing subordinates through mentoring and on-the-job training. According to one of the interviewee, job training was provided to under-performing subordinates. And other interviewee also mentioned that on-desk training on an ongoing basis for the employees. It can be concluded that employees viewed the PMS used as enabling to empower when training is undertaken and when managers do on-the-job training. At the DPME, bursaries and incentives to enhance employees' skills are promoted and encouraged.

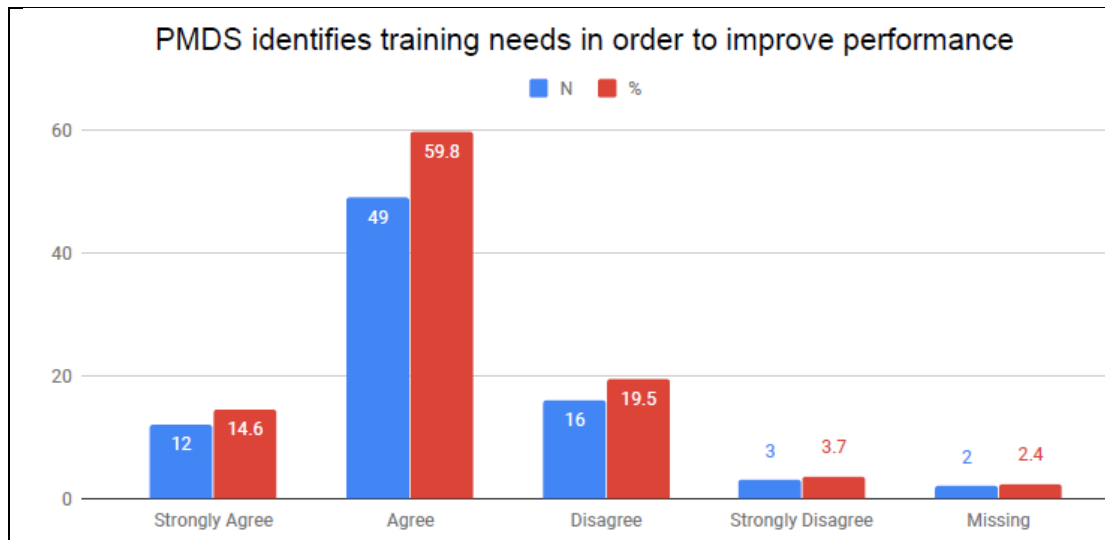


Figure 5.18 The PMDS identifies training needs in order to improve performance

It can be concluded from the data collected and illustrated in Figure 5.18, where 74.4 percent of respondents agreed that the PMDS identified training needs in order to improve performance, that employees viewed the system as working in the department. On other hand, 23.2 percent did not agree with the statement. This findings appear to collaborate with literature discussed in Chapter 2. Vu *et al.* (2019) for instance advocate that a good PM system should be able to identify performance gaps in order to plan training and development of employees.

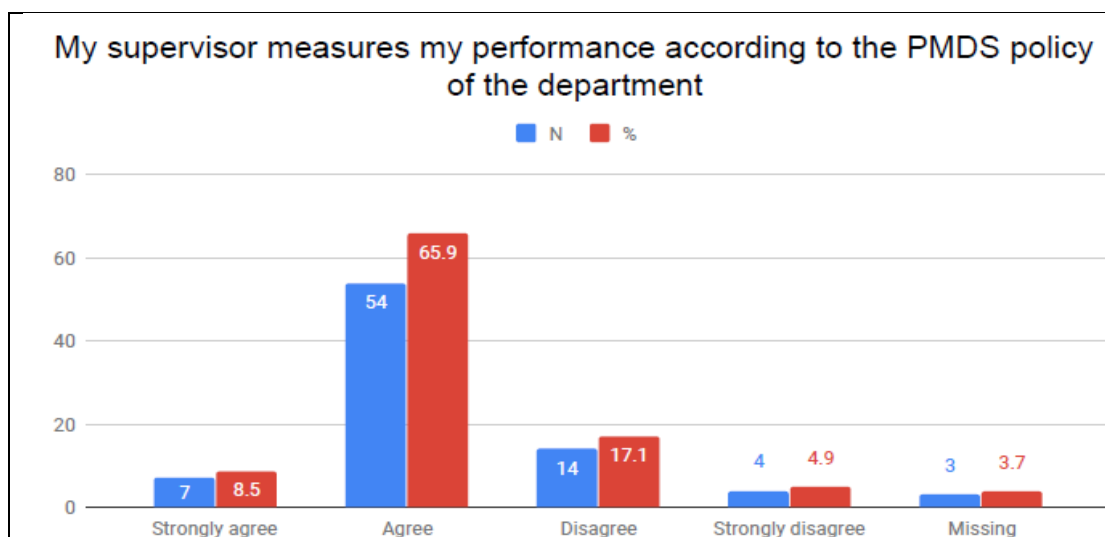


Figure 5.19 My supervisor measures my performance according to PMDS policy

Figure 5.19 depicts the extent to which respondents believed that supervisors or line managers measured their performance according to the PMDS policy of the department. 74.4 percent of respondents indicated that they agreed with the statement while 22

percent did not agree. From the literature reviewed on Chapter 2, an effective PM system should be designed in such a way that job responsibilities of employees and managers can be evaluated. The research is of the opinion that if majority of the participants agree with the statement, then employee view PMS in the system to effective and in line with department's policy.

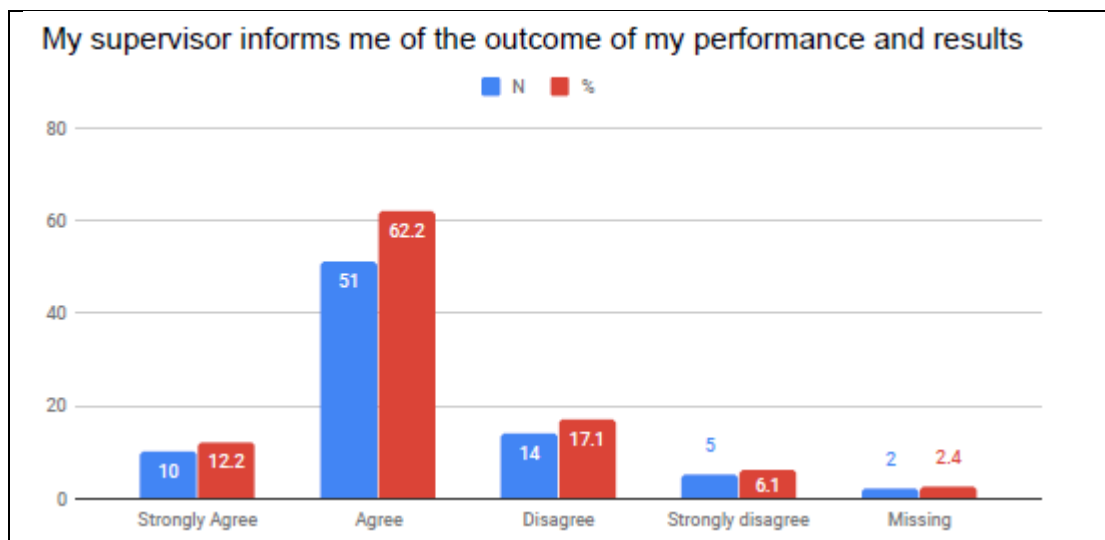


Figure 5.20 My supervisor informs me of the outcome of my performance and results

Figure 5.20 shows that 74 percent of the respondents believed that their supervisor informed them of the outcome of the performance review and results while 26 percent of the participants had a different view. It could then be concluded that employees put trust in the performance system and the attitudes of supervisors. Communication between employees and supervisors seemed to be effective and was implemented at the DPME.

5.5 Deductions from questionnaire

The research findings clearly indicate that the majority of the respondents for this study held degree in education (43.9%), and these had more than 3-5 years in the department (45%). These findings suggest that the employees of Department of Planning, monitoring and Evaluation hold at least a degree and have reasonable number of years in the department. The findings suggest that a majority of these responded have gone through Performance Management system and have had experience (Figure 5.1 & Figure 5.2).

From the deductions above, it seems that employees understood the concept of the performance management and system in the department with few institutional challenges. The majority of the participants seemed to be content with the current processes and procedures applied by the department, except for the complete leadership role to be played by managers and the reward system methods utilised. The processes that are embedded on the system are well understood by both employees and managers. The practicality of implementation to have a positive effect on employees remains the challenge, however.

From the discussion and findings of the questionnaire it clear that the view of the majority of respondents was that there was link between strategic objectives and individual targets and activities and these are cascaded down to the department branches. This finding collaborate with the Gaal-setting theory that was adopted in this study, and believed that organisational goals are linked to overall department's goals. Communication between employees and managers regarding expectations of the PMS process is believed to be going well in the department. Performance reviews that take place twice a year in the department are viewed by the majority (67 percent) as good practice for discussing performance and development in areas identified as gaps in achieving planned objectives. Contrary to Question 13, that was related to skills of coaching that managers held in order to implement PMS processes, 62 percent of respondents however had the negative view that managers did not have the necessary skills to lead and guide in implementing PMS processes. Seeing that there was this contention of views, the researcher concluded that employees believed that managers gave feedback and do understand the PMS; they lacked the skills to coach the employees. Managers/supervisors should provide guidance on the implementation of PMS (Weimei & Feng-e, 2012). Aguinis (2013) further advocated that supervisors serve as coaches by assisting employees in solving performance problems, identifying performance weaknesses and designing development plans. Moreover they have embedded to support and act as mediators in the relationship between PMS and employee job satisfaction (Baloyi *et al.*, 2014:87).

It is clear from the majority of 71 percent of respondents that employees are content and satisfied that their role to be played in the implementation of the PMS was clearly identified and understood. Hence, it links to the finding where a majority of 60 percent

of respondents looked forward to reviews sessions and the researcher then concluded that there was an active part from employee side with regard to PMS processes, although a minority expressed concerns, citing that reviews were done as a compliance exercise.

Training and development of employees plays an important role in effective implementation of the PMS and a majority of 64 percent of respondents believed that the PMS used is able to identify underperformance and 63 percent viewed the system as the right tool to empower, motivate and reward employees to do their best. The majority of 75 percent believed that the system is able to identify training needs. It is clear from majority data collected that employees viewed the PMS as the developing tool in order to improve on performance.

The role played by the Human Resource Unit in the department regarding the implementation of PMS is recognised from the evidence of data collected from 62 percent of respondents who agreed, whereas 34 percent held an opposite view. It was revealed that HRM plays a major administration for formalising performance management system by coordinating the processes and providing support to the entire organisation. What was, however, revealed in the literature as an important point, was that HR played a supportive role in performance management and the managers were the drivers of the process.

From the above findings it was deduced that DPME employees viewed the performance management system as a tool used by management to improve, develop, train and reward performance. However, with the majority of 62 percent that felt that managers still lacked skills and capabilities to mentor employees to perform better, effective implementation remains a challenge. It is therefore concluded that this finding may indicate mistrust or low staff morale that may result in negative employee performance within the department.

As regards to question 14, the researcher received equally conflicting opinions, where 53 percent of the respondents indicated that performance bonuses and notch progression were not sufficient to encourage good performance, whereas on the other hand 47 percent believed that these reward mechanisms encouraged performance. A minority

of the responses also suggested a few creative ways to recognise good performance, as illustrated in Table 5.2 on page 94. The collected responses were transcribed verbatim and analysed through repeated re-reading of participants' narratives for purposes of coding and establishing themes and patterns

Part B presents the summary of employees' responses in Section Two (research questionnaire statement) and presented in Fig. 5.21 as follows:

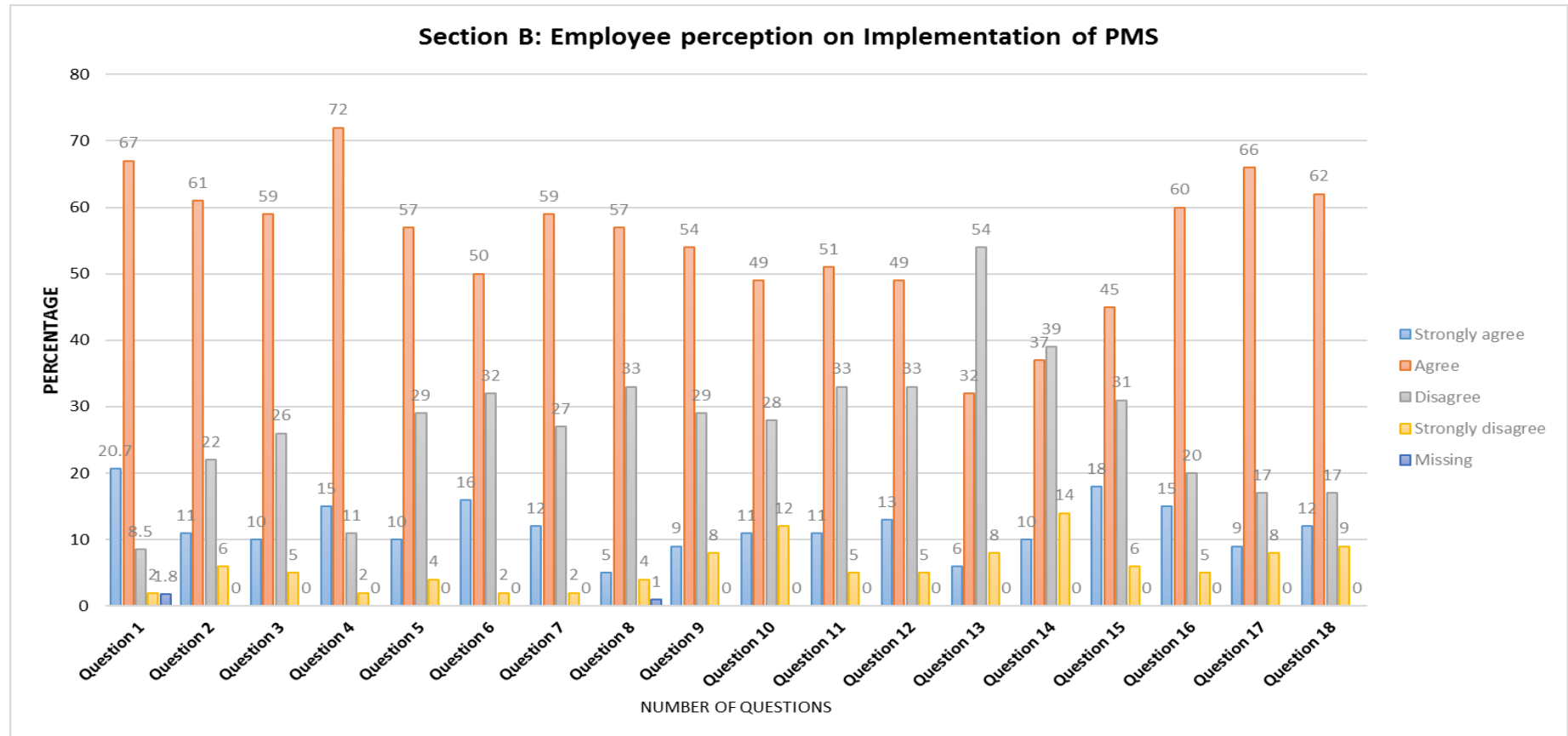


Figure 5.21 Overall analysis of survey questionnaire Source: DPME Questionnaire, 2018

Question 19 put the question to the respondent whether they had any issues to raise regarding the PMS. The purpose of the question was to collect suggestions and concerns regarding the implementation and effectiveness of the PMS at the DPME. The suggestions and concerns came from the minority (20/82) of the participants that were not satisfied with implementation of the PMS in the department. (See Table 5.2.).

Table 5.2: Participants' minority suggestions

Theme	Response
<i>Review of the reward system</i>	<p><i>"PMS should be applied consistently. Reward employees who put out good performance. Managers should stop favouritism with regards to PMS, as this practice is demoralising employees who performs better" (Participant 26).</i></p> <p><i>"Award system should go beyond bonus, consider awarding performance with certificates, recognition by Minister/DG to encourage other to also perform" (Participant 50).</i></p> <p><i>"Financial bonuses should be removed or be an exception and then the PMDS would not be used as currently is"</i></p>
<i>Development and Training</i>	<p><i>"The training needs identified in the work plan are often a copy-paste exercise as HR unit does not effectively facilitate these training courses" (Participant 59)</i></p> <p><i>"The training needs identified in the PDP are not considered" (Participant 8).</i></p>
<i>Moderation committee role</i>	<p><i>"The moderation committee role needs to be reviewed, as they are not involved as they don't understand the complexity of the work carried in the units" (Participant 1).</i></p>

Theme	Response (continued)
<i>Role of HR a concern</i>	<p><i>“HR is not fully involved from the beginning in supporting and quality assuring performance agreements, however fully involved in the process of evaluating of performance at the end” (Participant 60).</i></p> <p><i>“The unit responsible for PMS is not capacitated adequately. Managers need to be taught how to develop and manage controls to ensure improve performance” (Participant 42).</i></p> <p><i>“HR to provide enough support and Manager to invest time in formulating PMDS” (Participant 50).</i></p>
<i>Provide regular feedback on employee performance</i>	<p><i>“Poor performance should be communicated regularly to an employee and not wait for formal meetings” (Participant 13).</i></p> <p><i>“Feedback is not provided by managers due to the fact that the performance management committee makes it their business to drop the ratings sometimes without facts as a results some managers do not provide feedback timeously”(Participant 53).</i></p>
<i>Improvement of the PMS</i>	<p><i>“There needs to an automated system which links employees PMDS to training needs and that way employees will see the benefit of the tool because their needs are followed through” (Participant 53).</i></p> <p><i>“The system is useless because if your manager doesn’t like you, you will never get performance bonus” (Participant 22).</i></p>
<i>Develop a management that has knowledge in PMS</i>	<p><i>“DPME must educate managers and supervisors about PMDS so that it’s not used as punitive exercise and a tool for setting scores” (Participant 45).</i></p> <p><i>“Some managers use performance management as a tool to threaten employees. Constantly reminding employees that level 2’s will be allocated during performance management” (Participant 60).</i></p> <p><i>“Managers do not take the responsibility to manage performance of employees throughout the performance cycle. Performance is only discussed during assessment” (Participant 36).</i></p>

	<p><i>“PMS if properly used, is the right tool to improve and empower employees. Most if not majority of line managers must be taken through PMS training to be able to utilise the system” (Participant 24).</i></p> <p><i>“It attempts to substitute for good management, which is what is needed to motivate staff” (Participant 9).</i></p>
Theme	Response (continued)
<i>Avoid using the PMS as favouritism tool</i>	<p><i>It’s a perverse system of performance assessment which is based on difference in personality” (Participant 41).</i></p> <p><i>“PMS is weakly implemented. It is based on whether your supervisor and line managers like you or not” (Participant 32).</i></p> <p><i>“Performance standards in which I have to perform are made difficult so that I fail without even starting which really discouraging” (Participant 31).</i></p> <p><i>“Performance bonus and notch progression are at least what some of us expect during the PMS period, however many line manager tends to use the system as a tool to fight subordinates in DPME” (Participant 24).</i></p> <p><i>“The PMDS should not be used as a mechanism to punish employee” (Participant 13).</i></p> <p><i>“ I don’t see the necessity of this performance assessment because it used as a tool to punish some of the officials and only certain individual who are favourites will get the bonus” (Participant 11).</i></p>
Theme	Response (continued)

<p><i>Perception on PMS</i></p>	<p><i>“The PMS is treated as a given for bonuses to improve oneself” (Participant 44).</i></p> <p><i>“PMS is not an effective system for the management and improvement of performance because it measures outputs, and not effort” (Participant 45).</i></p> <p><i>“The insistence on the development of SMART target is both supportive and counterproductive- it allows for the system to be abused in terms of compliance monitoring, and it also benefit personality-based assessment” (Participant 41).</i></p> <p><i>“PMS is very subjective in that religious application might actual compromise the good performance” (Participant 30).</i></p> <p><i>“In my sections performance bonus is given to individuals that are favoured and not necessarily best performers’ (Participant 23).</i></p> <p><i>“The assessment is always done on the last minute rushing just to comply with the HR policy and not reflecting the performance and dedication of the person and quality of service brought in the department” (Participant 20).</i></p> <p><i>“PMS is used more a compliance tool mostly for payment of bonus” (Participant 18).</i></p> <p><i>“The system is used to get bonuses with many people using low targets, poor indicators, and not motivating properly for achieving a/ 3” (Participant 10).</i></p> <p><i>“Using the Bell Curve method to allocate performance incentives is demotivating at DPME” (Participant 1).</i></p>
<p><i>Review the system</i></p>	<p><i>“Qualification for a performance bonus for officials that have already received notch increments to the top of that level requires a special attention and the system does not provide rewards to such employees that motivational” (Participant 29).</i></p> <p><i>“The policy should promote and be clear on non-financial rewards and implementation” (Participant 30)</i></p> <p><i>“The approach used should consider the complexities of line functions work. Moderation committee does not have confidence in managers to accurately” (Participant 2).</i></p>

Table 5.2 reflects the suggestions of a minority of respondents who believed that effectiveness of the PMS depended on various factors, including improvement of the internal management systems (the development and training for both managers and subordinates, that the rewarding system needed to be reviewed, and providing regular feedback on performance). Further to that, qualitative data in Table 5.2 indicates that participants suggested the involvement of the Moderation Committee from the beginning of performance agreements in order to understand the complexity of every unit.

The participants proposed improvements on the internal management and training practices (rewarding of performers and avoiding the use of the PMS as favouritism tool as well as improvement of the PMS to be automated). It was for instance suggested that “PMS is used more of compliance tool for payment of bonus” (Participant 2). According to the literature reviewed, more creative ways to recognise good performance besides financial incentives must be explored (Bussin, 2013:131; Schraeder & Jordan (2011); Pulakos *et al.* (2019).

Further responses in Table 5.2 indicated the need to improve the internal control procedures of the PMS. It was for instance suggested that proper procedures should be in place to avoid using the PMS as a favouritism tool. In addition, participants suggested that the reward system should be improved. Participants further suggested that an automated PMS might contribute to the success of the PMS in the department.

5.6 Expert Interviews

Semi-structured interviews were conducted with specific managers at DPME to obtain their views regarding the implementation and effectiveness of the PMS. The reason why the researcher interviewed these experts was to gain insight in their expertise and knowledge regarding the topic under study. A set questionnaire (See Annexure 2) was used. The researcher used structured interviews in order to promote standardization of both the asking of questions and the recording of answers (Bryman, 2012:253). The researcher prepared a logical set of questions to make it easier for the managers to produce answers.

Face-to-face interviews were conducted with five (5) managers from different levels at the DPME: the Assistant Director, Deputy Director, two (2) Directors and the Chief Director. The semi-structured questions focused on the process and implementation of the PMS. Appointments with managers were arranged and were alerted to the type of data to be collected. The researcher used a recorder when conducting these interviews and all respondents were comfortable. Both recorded and written notes were used to capture the data.

Interviews were conducted between 1 August and 10 October 2018. The purpose of question 1-3 was to ascertain whether managers understood the PMS cycle for implementation of the PMS as well as their role in the process, as these were important factors in the context of this study. In analysing the data, the researcher presented verbatim quotation in order to provide opportunities for participants/interviewee to give their own views about policy or practices which affected them directly, and to express their feelings or beliefs in the way they themselves perceived these (Creswell & Creswell, 2017; Bryman, 2018).

5.6.1 Interview results and deductions

Section 1 dealt with more closed question with only Question 2 as an open-ended question as follows:

Question 1 enquired the number of times the respondent had performance discussion meetings with respondent's employees.

Five (5) research interviewee(s) in this study indicated that they had half-yearly discussion meetings with employees regarding performance. To have performance discussions with the employees on a half-yearly basis, is in line with department's PMS policy, which indicates that the performance of an employee would be assessed formally during the midterm and then annually at the end of performance cycle. As much as from the literature reviewed on chapter 2 of this study was not specific on how frequent or how many times a year may formal assessment be held, however performance reviews should be held to reduce the overload of criticism when compared to holding it once a year, According to the DPSA (2016) formal performance reviews are to be held at least twice a year (mid-year and annually). This finding appear to agree

with the discussion on section 2.7.2, for instance Ashdown (2014) argue that reviews opens opportunity for any bottlenecks to be identified and provide managers to be able to coach and provide guidance. The research is of the opinion that if reviews are held at least twice in performance cycle, then process of evaluating an individual's behaviour and accomplishment is carried out. As was revealed in the literature that ongoing communication is vital for the effective implementation of performance management system.

Question 2 asked how frequently the respondent provided both performance feedback and coaching to the employees. The researcher recorded mixed responses from participants. The first two (2) interviewee(s) responded that they provided performance feedback half-yearly, as illustrated in the following comments:

“Formal/Written performance feedback is done half-yearly, however there is ongoing coaching in my unit” (Interviewee 1).

“Feedback is conducted on a half-yearly basis and for coaching it is not really done accordingly” (Interviewee 2).

“I provide the formal feedback to my subordinated twice a year, however the units work on project basis, and the regular and quarterly informal feedbacks are done” (Interviewee 5).

However, two (2), which is the majority of participants mentioned that they provided feedback at different times, as illustrated in the comment below:

“Coaching is done when the need arises and feedback given on the staff meetings” (Interviewee 3).

“No formal coaching is taking place. I give guidance when the need arises. Feedback is given on project based” (Interviewee 4).

It is evident from the above narrative that the participants were giving feedback as per the policy and this supported the literature that recommended providing feedback as

frequently as possible. It is, however, concerning to note from the findings that coaching of staff is not practiced and implemented (Interviewee 2 and 4). This is in contravention with literature, for example Aguinis *et al.* (2013) who advocate that managers are to coach and mentor employees in order to improve performance. The importance of coaching for performance management to be effective and responses were not in line with the literature. However, the findings regarding feedback supported the notion that consistent feedback prevented the negative effects of formal reviews (Risher, 2011).

Question 3 enquired when the respondent monitored activities of employees by means of the PMS.

Four (4) interviewee(s) indicated that they monitored activities on a monthly basis via monthly staff meetings, whereas 1 (one) interviewee indicated it was done on a quarterly basis.

The findings based on the first three questions of above are consistent with literature reviewed in Chapter 2 of this study. Armstrong-Stassen & Schlosser (2010) for instance, mentioned that providing periodic feedback about day-to-day accomplishment and contributions is very valuable towards the success of effective performance management.

Section 2 dealt with more open-ended questions, as follows:

Question 1 asked the participants about their understanding regarding the purpose of managing performance. The researcher asked the question in order to ascertain whether the respondent understood the concept, as this is important to the study. Table 5.3 shows four themes that were generated on how research participants in this study understood the purpose of managing performance:

Table 5.3: Interview responses

Number	Code	Response
1	It aims to monitor the goals set by the organisation	<p><i>“PMS ensures that people are on the right track to achieve the goals of the unit” (Interviewee 1)</i></p> <p><i>“PMS is important as it ensures that long and short term objectives of the department are achieved” (Interviewee 2).</i></p> <p><i>“Ensuring both long and short term objectives of the department are achieved. It also links APP and monitor staff performance” (Interviewee 3).</i></p>
2	A tool to develop employees	<p><i>“It has a purpose to develop employees in the areas that are identified as areas of improvement to perform their work duties” (Interviewee 5).</i></p> <p><i>“PMS aims to make employees understand and know what is expected from them” (Interviewee 4).</i></p>
3	To measure performance	<p><i>“Every performance by the employees in the department gets measured” (Interviewee 2).</i></p> <p><i>“PMS aims to assist supervisors measure the performance of employees” (Interviewee 4).</i></p>
4	To promote ownership of the process in employees	<p><i>“PMS assist employees to set own targets” (Interviewee 3).</i></p>

Findings on Table 5.3 above are in line with the literature reviewed in Chapter 2 of this study. The research participants seemed to understand the aim of performance management. As revealed on literature that of performance management aims to assist employees and managers to set goals, empower, motivate and reward good performance (Ashdown, 2014; Stalinki & Downey, 2012; Armstrong, 2014; Kearney, 2018; Armstrong, 2009 & Aguinis, 2009). Although the responses above reflected positive comments from the participants regarding the purpose of the PMS at the DPME, one participant indicated that the PMS in the department was not aligned to the Directorate's annual performance plan. It is clear from Table 5.3 that participants understand the aim of performance management.

Question 2 enquired how the interviewee(s) ensured that strategic objectives were linked to the Key Results Areas. By asking this question, the researcher wanted to obtain information on whether the respondent understood the link between strategic objectives and Key Results Areas. Four (4) Interviewee(s) in this study indicated views that they ensured the linkage, as follows:

“By identifying the key areas in the strategy relating to my area of work, breakdown into small activities, set target and monitor the targets” (Interviewee 1).

“By linking Performance Agreements to Annual Performance Plan” (Interviewee 2).

“I ensure by identifying the key strategic issues in the Strategic Plan of the department, and ensure that Performance agreement are linked to Annual Performance Plan” (Interviewee 3).

“By looking at Annual Performance Plans and cascade to Performance agreements” (Interviewee 5).

However, one (1) participant highlighted a challenge in the process, as illustrated below:

“Ideally organisation vision, mission should be cascade to branch level into operations plans PMDS, however the challenge is operational plans are not linking to strategic objective and reflected key performance areas” (Interviewee 4).

Finding in this aspect show that participants understand the process of linkage of organisation strategic goal with performance areas. The understanding and practice is in line with literature reviewed in Chapter 2 in that managers should ensure that performance management is aligned to corporate strategy and objectives to employees’ key performance areas. According to Locke & Latham’s theory reviewed earlier on in Chapter 2, goal-setting is based on linking strategic goals to individual areas performance.

Question 3 enquired whether there was a clear link between employees’ KPA, the annual performance plan and the organisational strategic objective and whether they observed this linkage.

Five (5) interviewee (s) in the study indicated that there was a clear linkage between employees’ KPA, the annual performance plan and strategic objective, as follows:

“Yes there’s a link as the strategic objectives are cascaded down to APP and break down into KRA’s. The Operational plan is informed by the strategic objectives” (Interviewee 1).

“Yes, there is a clear linkage” (Interviewee 3).

“There’s a linkage to APP to Performance agreements, however challenge is on the interpretation of the objectives” (Interviewee 2).

“Yes, there is a link”(Interviewee (4).

“Yes” (Interviewee 5).

The responses above demonstrate that majority of the participants are clear on linkage between employees' performance area as cascaded from the organisation strategic objective.

From the responses to both questions 3 and 4, which attempted to tie the process of alignment from the strategic level to the operations, it seemed that participants did have an understanding of how the linkage was to be effected in an organisation. The findings supported the conclusion of Ashdown (2014) that in order to effectively facilitate the link between organisational objectives and employee behaviour, performance agreement should reflect the department's strategy and operational plans. Further to that, Armstrong (2012) emphasised that organisational goals were to be cascaded down the organisation.

Woyessa (2015:28) in analysing "effectiveness of performance management systems at the Central University of Technology, Free State", illustrated that in order to achieve long-term success and improved effectiveness, the performance management system of an organisation must by be linked to its strategy. Armstrong (2014:34) further agreed that a good performance management would be achieved if everyone was clear about corporate goals, that objectives are SMART. One participant indicated that there was, however, a challenge with the interpretation of the objective to make it simple for the employee performance areas.

Question 4 asked whether the achievements and non-achievements of the overall organisational performance were communicated to employees. The researcher wanted to ascertain whether the participants communicated the performance of the department to employees.

Five (5) interviewee(s) in this study indicated that the achievements, together with non-achievements, were communicated to the employees by means of various forms of communication, as illustrated in the following comments:

"The employee is made aware of department performance and achievements through the Intranet, Audit opinion Board are held in the department passage" (Interviewee 1).

“The achievement of as well as non-achievement of the department is communicated through monthly Branch meeting” (Interviewee 2).

“Department performance is the standard item in the management monthly meeting, and managers’ report back to the subordinates” (Interviewee 3).

“The achievements of the department are communicated internal through financial statement, auditing outcomes and annual reports” (Interviewee 4).

“It is communicated through the mid-term and final performance reports. The management meetings discuss the outcomes of the department performance” (Interviewee 5).

“Yes all non-achievement and achievements are communicated and the process is formalised and employees are told when under achieved their targets” (Interviewee 5).

The responses above demonstrate that the participants understand how to use and practice the communication channel in order to make employees aware of the departmental performance. The findings supported the literature reviewed, that it is critically important to communicate what is to be achieved and how it is to be achieved, to determine how to set targets and plan personal development. Aguinis & Bussin (2013) further suggested that open communication enables an organisation to inform employees regarding all matters concerning the performance.

Question 5 enquired whether the performance management system provided reliable information that could be used for decision-making as per the results of employees’ performance. The researcher wanted to obtain information on the reliability of the information produced by the PMS for making decisions.

Three (3) interviewee(s) in this study indicated that the PMS was reliable, as illustrated in the following comments:

“The system is reliable and serves as the management tool” (Interviewee 1).

“Yes the information provided by the PMS can be used to identify areas for training and development” (Interviewee 3).

“It is reliable to inform one to make decision on rewarding performance” (Interviewee 5).

However, two (2) interviewee(s) expressed a negative view regarding the reliability of the system, as illustrated below:

“The system is not reliable, and managers have preferences over performance” (Interviewee 2).

“PMS is not utilised to its full capacity, and it should form part of career pathing/find expression on promotion” (Interviewee 4).

From the responses received, two views emerged as to this question. Firstly, a majority (3) of expert interviewee(s) felt that PMS did provide reliable information that could be used for decision-making. Contrary to this, secondly, the minority (2) of the two groups of participants felt that the PMS was not reliable and should be utilised to its full capacity.

Part of the findings seemed to support the literature reviewed in this study, in that a good PMS should provide employees and managers with information in order to identify effective and ineffective performance (Aguinis et al., 2013). There is, however, concern regarding the finding that the PMS is not reliable.

Question 6 asked the interviewee(s) to rate the training provided by the Human Resource Unit regarding the performance management policy and system. The researcher wanted to find out whether the role played by HR in the implementation of the PMS was effective. The role played by HR is important in this study as regards the effectiveness of the PMS. The ratings and responses from four participants are depicted in the table below:

Table 5.4 Rating on training provided by HR on the PMS

Participant	Rating (1 – 10) (1 = poor and 10 = excellent)
1	5 “ <i>Improve on the way it is presented</i> ”
2	8 “ <i>HR is pro-active and provide good training</i> ”
3	8 “ <i>If you invite HR to assist in the PMS process, they are easily avail themselves</i> ”
4	5 “ <i>The unit should improve on providing the training, to be more details and intense as more employees are still confused how the policy is operating</i> ”
5	5

Source: DPME Expert Questionnaire, 2018

The responses demonstrate that participants were mostly happy with the role played by the HR unit in the implementation of the PMS. The unit should, however, improve on how training is conducted and presented. Critically in the effective implementation of the performance management is that HRM should have expertise in order to carry the effective function of PMS (Vu *et al.*, 2019). One can conclude that participants are satisfied with the role played by HRM in the implementation of PMS.

Question 7 asked whether performance recognition and rewards were based purely on performance.

Five (5) interviewee(s) indicated that performance recognition and rewards were purely based on merits and comments were received from two (2) interviewee(s) as illustrated below:

“Yes the incentives are purely based on merits, and there are mechanism and control in place” (Interviewee 4).

“Performance recognition is based on purely performance as there is committee in place to verify evidence provided by employees” (Interviewee 3).

It is evident from the responses and comments above that participants were satisfied with the process of performance recognition. These findings were supported by the literature reviewed, in which it was emphasised that the PMS should be able to provide

a comprehensive data source to allow management to have better judgment in making decisions regarding salary increases, promotions, transfers and demotions.

Question 8 asked whether the DPME provided rewards other than monetary rewards.

The researcher recorded almost similar responses from five (5) interviewee(s), as illustrated in the comments below:

“Yes it does, it not purely based on monetary as employee may be taken to training course” (Interviewee 1).

“The employees may send to overseas trips as a reward for their excellent performance” (Interviewee 2).

“The department policy makes provision for bursaries for employee development” (Interviewee 3).

“Yes the department does other ways to reward the performance as stipulated in the policy” (Interviewee 4).

“Yes as much as the policy allows it, in practice it is not utilised and most employees don’t know it” (Interviewee 5).

From the responses received and recorded, it is clear that participants understood that rewarding performance could not be purely monetary and that there should be other means and ways. It can be concluded that participants understood the reward system implemented by the department. This was supported by Serrat (2017) & Pulakos *et al.* (2019) who advocate that institutions could provide non-financial rewards to employees as other means of job satisfaction and motive for performance. The department policy does make reference and allows the department to make other non-financial rewards; it is, however, concerning when the employees are not aware of this.

5.7 Main deductions and findings from questionnaire survey and interviews data

As much as the majority of 65 percent of respondents to the questionnaire were satisfied with the linkage of strategic objectives, cascaded down to individual performance areas,

the data revealed that 34 percent of employees believed that there was no linkage between departmental performance and individual performance, while all five (5) managers interviewed stated that they ensured linkage between strategic objectives to individual's key performance areas, and to annual performance reports. It could be that the objectives are not clearly understood by everyone in the organisation.

The face-to-face interviews with managers reflected that managers believed there was clear linkage between KPA, the annual performance plan, with the strategic objective. 28 percent of respondents to the questionnaire believed that there was still a gap between the organisational objective and operations plans and 33 percent did not see the expression of overall objectives cascaded in the individual performance agreement. This is contrary to what was stated by Armstrong (2014) & Bussin (2012) who believe that leader and managers are ensure that there's an alignment to corporate strategy and individual key performance area.

From the point of views of 37 percent of questionnaire respondents, the PMS did not enable the DPME to identify the underperformance in divisions and individuals. Findings stated here are not consistent with the literature reviewed in Chapter 2 of this study. It is believed that the PMS, if properly implemented, would help managers reward success and take corrective action regarding under-performance (Vu *et al*, 2019; Meyer-Sahling, 2012 & Armstrng 2014). Four out the five interviewee(s) believed, however, that the PMS was a reliable tool to provide information for making decisions regarding notch increases, bonuses and training and development. Three(3) of the five(5) interviewee(s) viewed the PMS as a reliable management tool. The minority who raised the issue that the PMS was not reliable, was concerning, and this was contrary to literature reviewed in Chapter 2, suggesting that a good PMS should provide employees and managers with information in order to identify effective and ineffective performance (Aguinis, 2013).

33 percent of the questionnaire respondents did not believe that the PMS contributed to the improvement of performance. From the point of view of 33 percent of the questionnaire respondents, the HR unit did not provide support to ensure effective implementation of the PMS, while four (4) of the interviewee(s), rated the Human Resource Unit's support of the process as highly effective, with areas of improvement

and recommendations for more extensive PMDS training and policy application. As indicated in Chapter 2, HR should play a robust role in implementing performance management by guiding and supporting the organisational unit with good capacity and expertise.

Respondents indicated by 62 percent that they did not perceive line managers to have the necessary skills and capacity to implement the PMS, including giving regular feedback, coaching and mentoring. From the five(5) interviewee(s) it was found that coaching had not yet been implemented and practiced, as compared to the responses of two(2) of the five(5) participants. This is in contradiction with the literature reviewed in Chapter 2 that suggested that managers should provide guidance on the implementation of the PMS through coaching, solving performance problems and designing development plans (Weimei and Feng-e, 2012). It is further believed that good performance of employees and their contribution towards achieving organisational goals depended on how well they interacted with managers (Jiang, 2010; Puluko & O'Leary, 2010 & Aguinis *et al.*, 2013). This can be explained by the finding that a minority of 40 percent of research respondents did not look forward to discuss their performance with their line managers.

While it is observed from the data collected that all five interviewee(s) were aware of the provision made in the policy regarding recognition of performance, 53 percent of the research respondents disagreed that performance bonuses and notch progression were sufficient to encourage good performance and there were a number of suggestions on how to use non-financial ways to reward performance. 37 percent of the respondents to the questionnaire indicated that the department should use other mechanisms for performance improvement besides utilising the PMS tool. It seems that employees are not aware of the provision in the policy. As mentioned in Chapter 2, organisations are to be creative in finding alternative methods besides means, to reward performance (Bussin, 2013:131).

As regards the research problem, it can be deduced and concluded that the DPME employees and managers understand the PMS processes that are embedded as the approved policy. The challenge was, however, revealed that the policy should be fully implemented. As much as the policy is clear about other reward incentives, a minority

of employees still felt that the department was utilising one method of reward, that is, bonuses and notch increases. As such, this has resulted in a negative attitude towards the PMS tool in a minority of the employees. There is therefore a lack of understanding of the PMS tool among employees and managers as regards the implementation of the tool. Where managers who were interviewed, fully understood the content, employees did not. The majority perception of the employees in the department seems to be positive towards the implementation of the PMS since its inception. Management and supervisors should, however, demonstrate the necessary capabilities to drive the process.

Training and development endeavours that takes place in the department do have a positive influence on employees to improve performance. It was, however, revealed that sometimes the completed Performance Development Plan is not necessarily linked to gaps identified by both manager and an employee and bursaries awarded for skill development sometimes are not in line with what would enhance the job activities of an employee. This could be a challenge in achieving set targets effectively from the employee's side.

The researcher therefore concludes that employees at the DPME are aware that performance management is a tool used to improve performance and by rewarding good performance and addressing poor performance through HR development programmes. Both managers and employees enter into performance agreements every year that are monitored mid-year, aligned to departmental goals and objectives. Supervisors however neglect to provide mentoring and coaching which should encourage employees to address underperformance. It was cited by a minority that a supervisor showed favouritism to certain employees, who received bonuses even though they did not qualify for performance bonuses. These perspectives defeat the purpose of performance management and lead to mistrust of the process and low staff morale.

5.8 Limitations of the study

During the time when this research was undertaken, the researcher was employed by the Department of Planning, Monitoring and Evaluation. Some of the challenges experienced included the following:

- Some of the employees were resistant to participate in the study because of the sensitivity of the topic and displayed an attitude towards the topic;
- The researcher experienced challenges to get hold of the expert managers due to other operational commitments; and
- Some research participants viewed the research as the tool that management wanted to use in order to deal with them negatively.

In spite of the stated limitations, the study was completed successfully, obtaining a valid sample from the department's population.

5.9 Summary

This chapter presented the methods and tools utilised in the undertaking the study. A self-administered questionnaire was used to collect empirical data, which was divided into Section A (demographic information) and Section B (employee perceptions on implementing the PMS). Section B used Likert Scale questions and its advantages and disadvantages have been stated. Semi-structured interviews were conducted with five (5) purposively selected managers because of their expertise in the department. This chapter further discussed how the qualitative data was verified and stated how ethical issues were also considered. Altogether 19 semi-structured questions were presented, analysed and interpreted. Findings that emerged the responses were extensively discussed. The next section will present the conclusion and recommendations of the study.

CHAPTER 6: CONCLUSION AND RECOMMENDATIONS

6.1 Introduction

In the previous chapter, the data sources and results from the data collected were presented and the findings were outlined. Chapter 6 presents a discussion of the achievement of the research objectives and the main conclusion to be drawn from the study, followed by recommendations for overcoming challenges identified in the findings.

6.2 Summary of the chapters

Chapter One provided the background as well the rationale of the research study, the problem statement, research question, objectives, methodology and an outline of the chapters.

Chapter Two provided the reader with literature on performance management and the PMS within the public sector. The conceptual underpinning theories regarding performance management were discussed. Performance management was defined and the purpose of performance management was discussed. Factors for the successful implementation of a performance system as well the process/cycle of performance management showed the critical importance of implementing effective Performance management in an organisation to reach desired outcomes.

Chapter Three outlined South African legislative and regulatory frameworks of Performance Management system that provides guidance on individual performance within an organisation. All the legislation discussed are informed by the Constitution as the supreme law of the country and deliberated on this in detail.

Chapter Four dealt with the background to the case study for this research and current practices in the Department of Planning, Monitoring and Evaluation with regard to the implementation of the PMS.

Chapter Five presented the methods and tools used in this study, which included a self-administered questionnaire and structured interviews as primary data collection methods. Secondary data was collected from books, journals, the DPME Annual Performance Plans, Department Strategic Plans and Human Resource reports.

An analysis of the data from nineteen (19) semi-structured questions were presented, analysed and interpreted together with eight (8) interview questions. Findings from the responses were discussed. The limitations of the study were further outlined.

Chapter Six presents a summary of the chapters of this study, the conclusion regarding the research questions as well as recommendations.

6.2 Discussion of the research objectives

The aim of the present study was to assess the effectiveness of the PMS at the DPME with regard to employee performance. Guided by the perception theory, goal setting theory and the expectancy theory; the study sought to address the following objectives discussed below:

1. ***To explain the theoretical underpinnings of performance management and the PMS.*** The purpose of this objective was to provide a review of literature and theory on performance management. Chapter 2 of this study highlighted the importance of the implementation of employee performance which would lead to an organisation achieving intended goals. The chapter formed the basis of the theoretical framework of the study. It was outlined that the PMS should measure, motivate, evaluate, empower and rewards employees. Different definitions and components of the PMS were discussed and criteria for effective implementation of the PMS were suggested. The chapter further presented three models of the PMS as contributing factors towards achieving an effective PMS to any organisation. Based on the literature presented in Chapter 2 of this study, the first research objective of the present study was achieved.
2. ***To understand and explain the PMS within the context of the public sector.*** The legal framework governing the implementation of a PMS in the public sector was discussed in Chapter 3 of this study. The Constitution as the supreme law of South Africa states that a PMS is directly linked to Section 195(1) and advocates that the public sector should be developmental, transparent, accountable and responsive. Being guided by legislation presented in Chapter 3, the DPME developed and adopted the PMDS Policy in order to implement the PMS effectively.

3. *To explore whether the PMS contributes to employee performance.* Based on the responses from the data obtained, it can be deduced that the PMS was not effectively implemented to contribute to employee performance. As set out in Chapter 5, participants strongly indicated that performance notches and bonuses were not sufficient to motivate performance.
4. *To investigate challenges facing the PMS at DPME.* Although it is evident from the data gathered and presented that PMS processes are in place and the majority of participants seemed content, the challenges mentioned above, however, require attention to further strengthen the PMS in the department. Based on the minority of responses from the empirical data obtained (See Chapter 5: Table 5.2), participants cited their concerns and frustration in the implementation of the PMS. Chapter 4 of this study highlighted in practice how the PMS was implemented at the DPME and it was mentioned that as much as the policy was adopted, there were challenges in its implementation. Chapter 5 further analysed various challenges that participants experienced in the implementation of the PMS. The research achieved this objective successfully.
5. *To determine strategies to improve the PMS within the DPME.* The next section provides recommendations, which were produced from the literature reviewed in chapter two and the empirical findings based on research collected from participants who took part in this study.

6.3 Recommendations

Even though the findings showed that the majority of employees in the department were content with the implementation of the PMS, the following recommendations are meant to ensure that the department would be able to sustain the current improvement trajectory. The recommendations are also meant to address some of the gaps in PMS implementation that were highlighted by a minority of the participants:

1. Empower and develop line managers to effectively implement PMS;
2. Use the PMS Policy and tool effectively in implementing other incentive methods; and

3. Strengthen the performance management process to develop and motivate employees.

6.3.1 Empower line managers to effectively implement PMS in the department

The employee perception questionnaire enquired whether line managers had the necessary skills and capacity to implement the PMS (for example, regular feedback, coaching and mentoring). 86 percent disagreed with this statement, which suggested dissatisfaction. From the five interviews with managers, it was also evident that coaching was not yet implemented and practiced, as emerged from the responses of two out five participants. This is in contradiction with the literature reviewed in Chapter 2 that suggested that managers should provide guidance on the implementation of the PMS through coaching, solving performance problems and designing development plans (Weimei and Feng-e, 2012). Furthermore, it is believed that good performance of employees and their contribution towards achieving organisational goals would depend on how well they interact with managers.

As reviewed in Chapter 2, ongoing feedback is crucial for performance management to be effective. In the case of the DPME, formal reviews take place twice a year, which are taken in account for performance feedbacks. Therefore, the following recommendations are made:

- *Training should be provided and undertaken on the implementation of the PMDS to managers specifically on how to provide feedback in a structural, candid and timely manner.*
- *Employee training should be provided on how to seek feedback to ensure they understand how they are performing and how to react openly to feedback. The training is to assist employees to manage their own career and performance and not to rely solely on manager to provide feedback.*
- *DPME managers should be trained on the provision of regular feedback regarding performance objectives and how to create a strong culture of feedback in order to increase performance conversations between employees and managers. The feedback may be informal or formal.*

A critically important aspect of performance management is the provision of support to employees. As cited in Chapter 2, managers should direct, motivate and reward employee behaviour. Effective managers should demonstrate the ability to guide the employees on what should be achieved, to observe and document performance accurately and to give feedback. Open communication plays a vital role, but managers should, however, possess the appropriate skills to deal with uncomfortable challenges in carrying out reviews during the cycle. In the process, managers play the role of judge and coach at the time, which requires from them to deal with two processes effectively. Feedback meetings are to reflect on the progress, successes and challenges of implementing the PMS, which in turn could assist senior officials to develop clear strategies to improve the future implementation of the system.

Further recommendations therefore include:

- *That the DPME should develop a support mechanism to be used by managers/supervisors in the form of mentoring, coaching and removal of any barriers to prevent excellent performance of employees.*
- *That programmes should be developed where officials will be given the opportunity for job training.*

6.3.2 Effective use of the PMS policy and tool to reward employees

From the data collected from five managers interviewed, it seemed they were aware of the provision made in the policy regarding recognition of performance. This is contrary to the results when compared to 53 percent of research respondents who seemed not have knowledge that the policy indicated how non-monetary rewards might be allocated. A number of suggestions on how to use non-financial ways to reward performance were illustrated in Table 5.2. Altogether 37 percent of the respondents to the questionnaire indicated that the department should use other mechanisms for performance rewards besides financial rewards.

Therefore the recommendations are as follows:

- Awareness of the policy and its content should be raised for staff of the department. This would assist in streamlining the procedures and processes, which would alleviate employees' perception of mistrust.
- Performance management training and re-training, in particular with employees, should take place at regular intervals during an assessment year.

6.3.3 Strengthening the performance management process to develop and motivate employees

The overall view that emerged from the data collected was that PMS processes are in place. It is, however, recommended that the department should strive to focus more on the following processes that were raised as concerns by the minority:

- Tightening of the linkages between organisation objectives down to the individual performance agreements so that employees will be aware and see their performance activities in a bigger picture.
- Training regarding the purpose of the PMS so that employees would view it as a developmental tool as well. Ultimately the focus should shift from money to performance.
- It was reported by the minority of the participants in this study that PMS implementation was used as a punitive measure by supervisors and demotivated employees for chances of promotion (Table 5.4). It is therefore recommended that performance deficiencies should be addressed during the mid-year review and from there on, training interventions should be formulated, agreed upon and implemented. If performance is claimed by employees, a portfolio of evidence should be produced for credibility of the process. The department should develop and put in place an evaluation tool on the implementation of the PMS and implement recommendations thereof. HR should continuously strengthen the extensive training on the implementation of an effective PMS in the department and be the driver of these recommendations of the study.
- Punitive/disciplinary measures should be handed out to those officials who do not comply with the provisions of the PMS policy, particularly non-submission of performance instruments, as this would hamper the process of implementation of the key performance indicators from the units and payment of performance incentives. The non-compliance may lead to audit findings.

6.4 Summary

The aim of this study was to assess the perception and understanding of the departmental employees' performance management system and its effect on employee performance. Although the study revealed that employees had positive perceptions regarding the PMS system, some employees at the DPME have a perception that managers lack the necessary skills and capability to implement the PMS to its full capacity. Furthermore, it seems that there is lack of knowledge of the department's use of the non-monetary system in rewarding performance.

Managers are compelled to create an environment and atmosphere of trust and co-operation. The purpose of the appraisal system must be clearly communicated and fully understood by all stakeholders and its benefits must be explained in order for the organisations to have a fully functional PMS. Performance management should be well implemented as it is deemed sensitive and generates contentious issues between employers and employees.

Within the context of the theoretical framework adopted in this study, it is important that senior management and subordinates of the department should create a common understanding of the various consultative meetings and training workshops on issues pertaining to goals and objectives, the processes and procedures of the PMS and the performance appraisal system as outlined in the legal frameworks and the PMS policy of the department. It is further recommended that future research study on this topic may be undertaken to further explore the perceptions of employees.

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Appendices

Appendix 1 Structured questionnaires

Annexure A – SEMI-STRUCTURED QUESTIONNAIRE – EMPLOYEES

Instructions

- Please indicate a cross (X) in the column which most closely reflects your option
- Please answer each option

1.1 Number of years' experience at DPME

Less than 1	1-3	3-5	5 and above
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1.2 Educational Status

Grade 12		Diploma		Degree		Post Graduate		Other (Please indicate)	
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Section B - PERFORMANCE MANAGEMENT SYSTEM

Instructions

- Please indicate with X to what extent you strongly agree with the statements below where
- Please indicate your view for each statement provided

Strongly Agree = highly positive about the statement;

Agree = positive about this statement; Disagree= negative about the statement and

Strongly disagree = highly negative about the statement

Q	Statement	Strongly agree	Agree	Disagree	Strongly disagree
1	PMS Policy provides guidance in the implementation of PMS at DPME				
2	There is a link between the organisational and divisional targets at DPME				
3	Department strategic goals are developed by Top Management and are				

	cascaded to all divisions within the department.				
4	Performance Management Process is communicated to all divisions to enable them to execute their responsibilities to the best interest of the organisation				
5	My performance agreement reflects the overall objective of DPME.				
6	My manager / supervisor has a good understanding of the PMS and communicate performance accurately.				
7	My role is clearly defined in the implementation of performance management system at DPME				
8	There is a link between the department's performance and individual performance PMS				
9	The PMS enables DPME to identify the underperforming divisions and individuals				
10	I look forward to frequent meetings scheduled in a year to discuss employee performance				
11	PMS contributes to the improvement of employee's performance				
12	The Human Resource Unit provides enough support services to the entire department to ensure effective implementation of the Performance Management System.				
13	Line managers have the necessary skills and capacity to implement the PMS (for example, regular feedback, coaching and mentoring).				
14	Performance bonuses and notch progressions is sufficient to encourage good performance in your department				

15	PMS is the right tool to improve employee performance and empower employees.				
16	PMDS has the ability to identify training needs that will contribute to the improvement of performance in the department.				
17	I believe that my supervisor or line manager measure my performance according to the schedule of PMDS policy of the department.				
18	My supervisor or line manager does inform me of the outcome of my performance and results?				
19	Do you have any additional issues relating to the PMS that you would like to raise?				

PERFORMANCE MANAGEMENT – STRUCTURED INTERVIEWS – MANAGERS

The purpose of this structured interview is to obtain a valuable source of information on experiences, views, beliefs and opinion regarding the performance management system from selected management participants using purposive sampling. The interview will be a two-way conversation and a purposive interaction where the research will ask the participant questions to collect data. Responses from the participant will be recorded. The aim is to obtain rich descriptive data.

The responses from all respondents will be treated as confidential. No names or identifiable personal information will be obtained. Only anonymous data and findings will be shared.

The responses will enable the researcher to make an informed analysis, conclusion and recommendations about the effectiveness of the performance management system (PMS) within the department. The research will assist the managers to effectively use PMS in order to achieve the objective of the department.

SECTION 1

Instructions: Please answer the questions by crossing (X) the relevant time frame.

<i>No</i>	<i>Question</i>	<i>Answer</i>				
1	How often do you have performance discussion meetings with your employees?	Daily	Monthly	Quarterly	Half yearly	Yearly
2	When do you frequently provide both performance feedback and coaching to your employees?	Daily	Monthly	Quarterly	Half yearly	Yearly
3	When do you constantly monitor activities of your employees' performance through the performance management system?	Daily	Monthly	Quarterly	Half yearly	Yearly

SECTION 2

Instructions: Structured Interview questions. It would be appreciated if participants can answer questions with honesty in order for the research report to benefit the organisation by improving its performance management systems and processes.

No.	Statement/Question
1	What is your understanding with regards to the purpose of managing performance? Answer:
2	How do you ensure that the strategic objectives are linked to the Key Results Areas? Answer:
3	Is there a clear link between employees' Key Performance Areas (KPAs), Annual Performance Plan and the organisation's strategic objectives? Yes or No. If no, give reason(s) why? Answer:
4	Are the achievements and non-achievements of the overall organisation's strategic objectives or goals communicated to employees of the performance cycle? Yes or No. If no, give reason(s) why?

No.	Statement/Question
5	Does the performance management system provide reliable information that can be used for decision-making as per the results of employees' performance, e.g. salary increases, promotion, notch progression, training and development, etc.? Yes or No. If no, give reason(s) why?
6	How would you rate the training that HR provide on performance management policy and system? On a scale of 1-10 {1= poor; and 10 = excellent}
7	Is performance recognition and rewards based purely on performance? Yes or No. If no, give reason(s) why?
8	Does your DPME provide other rewards other than monetary rewards? Yes or No. if yes name a few (5) Answer:

Appendix 2 Approval of the study



planning, monitoring and evaluation

Department:
Planning, Monitoring and Evaluation
REPUBLIC OF SOUTH AFRICA

SUBMISSION

TO: Ms NZ Mpofu, Director General

THROUGH: Mr N Nomlala Acting Chief Director: Corporate Management
Mr WJ Victor, Acting Director: Human Resources Management

FROM: Mr S Mphiwa, Deputy Director: HRD and PMDS

SUBJECT: **APPROVAL TO GRANT MS PUMANE A PERMISSION TO COMPLETE A DISSERTATION WHICH IS PART OF THE MASTERS DEGREE IN PUBLIC DEVELOPMENT AND MANAGEMENT.**

DATE: 1 August 2017 Ref No: 3/5/2/1

1. PURPOSE

- 1.1. To request the Director General to grant Ms N Pumane an approval to complete a dissertation which is part of the Master's Degree in Public Development and Management.

2. BACKGROUND AND DISCUSSION

- 2.1. Ms Pumane was awarded a bursary to enrol for a Master's Degree in Public and Development Management in 2017 with the University of Stellenbosch and is required to complete a dissertation. She submitted a request to conduct a research on this topic "Assessment of the effectiveness of Performance Management System and the impact on employee performance" **Annexure A**.
- 2.2. Although DPME does not have a policy to regulate these requests, the research of Ms Pumane will be beneficial because it will identify the strength and limitations of our performance management practices, areas which need improvements (if any) and the proposed interventions. Directorate: Human Resources recommends that Ms Pumane be granted an approval on condition that she will make a commitment to adhere to strict ethical conduct of the researchers and will discuss her report (research findings) with the management team of department before she submits it to the University of Stellenbosch for evaluation.


3. FINANCIAL IMPLICATIONS

None.

4. RECOMMENDATIONS

It is recommended that the Director General grant an approval to Ms Pumane to use the intellectual capital of DPME to complete a dissertation towards a Master Degree in Public Management and Development subject to the conditions stipulated in paragraph 2.2.

 Mr S Mphiwa Deputy Director: HRD and PMDS Date: 1/8/2017	Comment:
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 Name: Mr WJ Victor Acting Director: Human Resources Management Date: 20/10/2017	<table border="1"> <tr> <td>Supported ✓</td> <td>Not Supported</td> <td>Supported as amended</td> </tr> </table> Comment: Ms Pumane's request is supported, provided that personal information of DPME employees remains confidential	Supported ✓	Not Supported	Supported as amended
Supported ✓	Not Supported	Supported as amended		

 Mr N Nomlala Acting Chief Director: Corporate Management Date: 01-08-2017	<table border="1"> <tr> <td>Recommended ✓</td> <td>Not Recommended</td> <td>Recommended as amended</td> </tr> </table> Comment:	Recommended ✓	Not Recommended	Recommended as amended
Recommended ✓	Not Recommended	Recommended as amended		

 Name: Ms NZ Mpofu Director General Date: 08/09/2017	<table border="1"> <tr> <td>Approved ✓</td> <td>Not Approved</td> <td>Approved as amended</td> </tr> </table> Comment:	Approved ✓	Not Approved	Approved as amended
Approved ✓	Not Approved	Approved as amended		



PERMISSION LETTER

TO: DIRECTOR GENERAL
FROM: NOKUTHULA PUMANE
BRANCH: PUBLIC SECTOR OVERSIGHT
DATE: 28 JULY 2017
SUBJECT: REQUEST FOR PERMISSION TO CONDUCT RESEARCH

The above matter refers:

Permission is hereby requested for student, **Nokuthula Pumane**, Student Number **17211727**, from the School of Public Leadership, with the University of Stellenbosch, to conduct research in your department. The student is the **DPME bursary holder** and the study will be of value to the department in return.

The study entitled ***"Assessing the effectiveness of Performance Management System on employee performance: The Case of Department of Planning, Monitoring and Evaluation (DPME)"***.

This Case of Department of Planning, Monitoring and Evaluation is conducted as a dissertation in partial fulfilment of the Master's Degree in Public and Development Management with the University of Stellenbosch.

The findings will be available on request upon completion of this study. Should there be any enquiries, please feel free to contact the researcher at 072 356 3786 or alternatively at nokuthula.pumane@dpme.gov.za or noku501@webmail.co.za

Upon receiving a reply of acceptance from the department, I will email the set of questions.

Thanking you in advance.



Ms Nokuthula Pumane

Researcher